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# Near East/South Asia Report

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Currency Cooperation

Abu Dhabi AL-ITTIHAD in Arabic 3 Nov 85 Special Supplement p 19

[Interview with 'Abd-al-Malik al-Hummar, governor of the UAE Central Bank]

[Text] To provide a clear picture of the phase reached through Gulf currency cooperation, of the future of the plan for a unified Gulf currency, and of the tendencies of the banking situation in the Gulf and the UAE under the canopy of the new economic developments, we had to familiarize ourselves with the Central Bank's opinion. We took five questions to 'Abd-al-Malik al-Hummar, the Central Bank governor. The first question is on how the banking conditions in the GCC member states have adjusted to the current economic circumstances of lower oil revenues and of recession in the economy and on whether the policy of reducing expenditures and credit facilities is a sound policy.

The second question pertains to the phases of Gulf currency coordination and cooperation and asks: Where have these phases reached? The third question concerns the unified Gulf currency plan and the chances of achieving it. The fourth question is on the dirham's position and place among the world and Gulf currencies, and the fifth question concerns the banks in the UAE and the future tendencies of the Central Bank to steer the rudder of the state's banking situation toward serving the national economy.

Consequently, we had the following frank interview with 'Abd-al-Malik al-Hummar.

To begin with, 'Abd-al-Malik al-Hummar, the Central Bank governor, pointed out how the banking situation in the GCC member states is adjusting to the current economic circumstances of lower oil revenues and diminished economic activity, saying: It is normal for any state's expenditures to be confined to its revenues. States which resort to financing by deficit do so with the expectation that their future revenues will increase to cover their domestic and external debts. As for the GCC member states, they have been relatively fortunate since the current oil crisis developed after most of these states had completed their infrastructures. Consequently, their essential spending has come to be confined to current spending, in addition to some developmental spending and foreign aid.

There is no doubt that confining spending as much as possible to the limits of the revenues is a wise and essential thing for the GCC member states. In the past, the development process was an extraordinarily rapid process by historical criteria. The time has now come to return to normal levels, even though this development is still somewhat above these levels. There is an extensive imbalance in the economies of these states due to the development leap of the past years. Inevitably, some time is required for the imbalances to be eliminated and for the growth of the national economy to rely on the intrinsic capabilities and resources of these states.

#### Surpassing Stagnation Phase

The Central Bank governor asserted that the international reports issued in the first half of this year proved that the Gulf banking institutions have surpassed the economic stagnation phase successfully.

He added: This means that despite the financial difficulties facing the GCC member states due to regional and international reasons, our commercial banks have been able to adjust to the economic developments generally and to the current reduction in the official spending, especially in the wake of the drop in oil revenues in 1983 and the rapid crop in 1984 and 1985. The GCC member states have lost nearly half of their oil revenues in comparison with 1980 due to the low demand for the OPEC group's oil and to the reduction of oil prices. On the other hand, the foreign-asset reserves have, if we may use the phrase, been eroded considerably. For example, the Saudi assets have dropped from \$300 billion at the beginning of 1981 to nearly \$100 billion this year. This is due to many reasons, led by the Gulf war, the drop in the interest rates, and the international financial aid which the GCC member states have continued to give, in addition to maintaining locally the essential services offered the citizen.

#### Private Sector's Role

Despite the relative drop in the profitability of the Gulf states' banks, the financial conditions and the banks' own financial resources in particular are still good in the majority of the Gulf banks. Here we would like to emphasize the importance of the private sector's role when this role is coupled in this critical phase with government support and regional cooperation to enable the banking system to confront in particular the economic bottlenecks expected in the next few years.

[Question] Is the policy of reducing expenditures and credit facilities a sound policy?

[Answer] The policy of reducing expenditures gradually and of rationalizing credit facilities objectively is a sound policy which I have long advocated since the late 1970's when I repeatedly talked of the importance of coordinating the two fiscal policies, namely the spending policy in particular and the currency—that is, banking—policy, and of innovating instruments for the financial market. Under the current circumstances, the coordination must be made at the level of the Gulf as a single financial—economic bloc with its international weight, if such coordination is planned before it is too late.

#### Gulf Currency Cooperation

On currency coordination and cooperation between the GCC member states and on future expectations, 'Abd-al-Malik al-Hummar said frankly: In this regard, I regret to say that with the exception of slow coordination in the sphere of banking training and of the exchange of some data concerning the health of the banks, currency coordination has not advanced much beyond where it was prior to the establishment of the GCC. In certain cases, the situation was perhaps even better, as in the case of unifying the exchange rates between the UAE, Bahrain, and Qatar from 1976 until the end of 1979, with fruitful consultations then held on the fluctuations of the international and gulf interest rates. Generally, there is no need for haste. Rather, it is necessary to move deliberately and to follow sound and guaranteed steps because the economies of the GCC states are largely similar and are considered, theoretically, identical. Moreover, five out of a total of six currencies use the dollar as the intervening currency. Thus, it can be said that the greater common denominator between them is the same. In the latest meeting of the heads of the Gulf currency establishments and governors of central banks, held in Kuwait from 1-2 May 1985, it was recommended that the member states devote maximum attention to relative stability in the exchange rates between their currencies with the aim of developing trade and of creating confidence in the transactions between the citizens of the GCC member states. The conferees agreed to hold consultations in case any state wished to change the currently followed exchange price policy. It was also decided at that meeting to encourage the acceptance of the currencies of the council member states by the banks and money changers in the member states, as well as by their hotels, so as to facilitate transactions between the citizens of these states. The resolution also urged that these establishments be instructed to declare and post the exchange rates for these currencies.

There are numerous other spheres for cooperation and coordination, especially the sphere of control over the banking apparatus, of the centralization of risks, and of vocational training. The authorities concerned are still conducting a number of specialized studies to achieve a higher level of coordination. When completed, these studies will be presented to the Council of Governors and will be announced at the time.

#### Unified Gulf Currency

[Question] From Gulf currency cooperation we moved to the unified Gulf currency and I asked the Central Bank governor: Do you believe that this project can be achieved, and how?

[Answer] It can be achieved if the political will to achieve it is present because there are no technical obstacles. If we examine the differences in the exchange rates of the GCC members states' currencies, we will find that these differences have been diminishing in recent years, especially in 1983 and 1984. This encourages the issuance of a single Gulf currency in accordance with the provisions of Articles 22 and 24 of the unified economic agreement. Even though the technical studies support this vital project with its varied benefits, it is certain that the project can be achieved only through

political will or through an executive decree by the official authorities concerned.

It is worth noting that the technical studies were completed in 1976 and that attempts have been made since 1980 to conduct the studies again. Still, all these studies support the issuance of a unified Gulf currency. In case it is approved, this project requires the following:

- -- The formation of an executive board.
- -- The creation of a joint financing fund to counter the fluctuations in the exchange rates and to tackle the ups and downs in interest rates.

#### Dirham's Strength

[Question] What about the current condition of the UAE dirham and about its position among the international and Gulf currencies?

[Answer] It is well known that the dirham's exchange rate versus the dollar is fixed. Consequently, the dirham's strength or weakness follows the U.S. dollar's strength or weakness. It is well known that by the end of February of this year, the dollar's value rose by 60 percent over its average value in 1980. The decline began as of February and this course has continued, with upward swings at times. It is estimated that by the end of September, the average drop in the dollar's value versus the major currencies amounted to nearly 20 percent, if equal measures are used. This average is lower insofar as the currencies of certain countries are concerned because the drop depends on the degree of the distribution of their needs for other currencies, meaning that the drop depends on the trade partners of these countries.

The UAE receives the price of most of its exports in U.S. dollars. As for the imports, 85 percent of them come from countries other than the United States. The UAE benefited from this fact when the dollar's value rose. But the situation has changed now. However, what helps in this regard is that the total imports have dropped in volume and value as a result of the decline in economic activity. Consequently, it is not expected that the weakness of the dirham will be reflected in higher prices locally because of weak local economic activity at present. All the price indicators in the first half of this year show a drop in most prices, whether at the wholesale or the retail levels. It is estimated, moreover, that the general level of prices dropped by an average of 4 percent in 1984.

#### UAE Banks

[Question] A final question: By looking at the number of banks in the GCC member states and the difficulties some banks, in Bahrain for example, face because of the large number of existing banks, do you think that the current number of banks in the UAE is compatible with current banking needs? What are the future tendencies of the Central Bank within the framework of its wise policy of steering the rudder of the state's banking situation toward serving the national economy?

[Answer] Reducing the number of banks operating in the UAE is among the top priorities to be implemented by the Central Bank. Since the creation of the Currency Council, attention has been focused on this issue. No new banks have been licensed and the number of branches of foreign banks has been reduced. At the end of 1984 and in the first half of 1985, two major mergers were completed with the aim of nourishing the banking apparatus and of creating big banking units with a highly qualified management capable of utilizing the latest scientific methods and technical equipment in performing its work.

The number of banks is still relatively large and we hope that the number of national banks will be reduced with further mergers to form major banking units. A number of small foreign banks may also be reconsidered. In any case, a smaller number is compatible with the country's needs. What I, from my viewpoint, deem necessary is a further gradual economic rationalization that requires high-quality banking establishments with strong financial positions.

The Central Bank will continue to exert efforts to encourage the banks to merge with each other. In this respect, the Central Bank cooperates with the local governments which have, thankfully, supported these steps materially and morally. There is no doubt that further cooperation is required to achieve other mergers.

Along with devoting attention to a sound banking system, attention can be devoted to the following considerations in particular:

- -- Devoting attention to the management quality.
- -- Maintaining a good level in the banks' intrinsic resources, embodied in their capital and reserve accounts.
- -- Specializing in advancing credit facilities on the basis of economic feasibility in the development sectors.
- -- Coordinating with the government agencies concerned.
- -- Training citizens and enhancing the efficiency of their participation in the banking sector, with its major role in the economy.
- -- Advancing joint liability loans in cooperation with the GCC in order to encourage local investment and to rotate a part of the surplus to complete an economic structure with diverse resources.
- -- Exerting efforts to organize a Gulf financial market, along with the instruments it needs.
- -- Coordinating with GCC members on the currency policy in particular in order to confront the international developments that directly influence the financial and banking conditions in the Gulf states.

'Abd-al-Malik al-Hummar, the Central Bank governor, also asserted that the position of banking as a whole in the UAE is strong, especially if compared with banking apparatuses in the rest of the world. He also said: We have already demonstrated that two-thirds of the loans and credit advanced by the banking apparatus to the private sector, amounting to 33.4 billion dirhams by the end of June 1985, are covered by the banks' private monies, including the allocations, and that most of the depositors' monies are invested in foreign investments outside the state and yield a guaranteed and relatively good return. These net assets amounted to 24.7 billion dirhams by the end of June 385. We are confident that as soon as local investment opportunities become available, most of these monies will be returned to be invested locally.

We should keep in mind that the money supply amounted to 9.4 billion dirhams by the end of June 1985, rising from 8.9 billion dirhams at the end of December 1984. As for private local liquidity, it exceeded 47 billion dirhams by the end of June 1985 compared to 46.9 billion dirhams at the end of December 1984. This makes it obvious that there is enough local liquidity to cover the current economic activity.

Unified Economic Agreement's Accomplishments

# Abu Dhabi AL-ITTHAD in Arabic 3 Nov 85 Special Supplement pp 20-21

[Text] The GCC's philosophy has characteristics and features that distinguish it from the political philosophies and theories known to man throughout the various stages of history. It is a philosophy that does not emanate from a certain political form and that does not move within a definite framework or rigid mold but that emanates from the formula of collective cooperation and moves under the canopy of coordination, integration, and commitment to achieve togetherness and a rapprochement among the area's peoples and to create a unified vision and a common tendency in all spheres.

There is no doubt that one of the most prominent characteristics of this philosophy is the adoption of the policy of self-reliance and of exerting efforts to achieve economic fusion among the member states, to eliminate the barriers and to unify their services in order to create a firm base in the various commercial, industrial, and agricultural spheres and to set up joint economic structures and establishments that serve the interests of the Gulf citizens and that strengthen the bonds between them as a main step toward paving the road and creating the proper conditions for achieving the comprehensive Gulf unity naturally during the coming phase.

#### Unified Economic Agreement

The unified economic agreement is considered one of the GCC's gigantic accomplishments in this regard. This is the agreement approved and ratified at the second GCC summit which was held in Riyadh in November 1981. Within the short period of its existence, this agreement has been able to contribute to achieving unity in the economic policies of the GCC member states, to serve their development programs and plans, to insure the success of the

objectives of these programs and plans, and to lead to the establishment of a number of joint projects. The agreement has accomplished this through legislation that unifies the agricultural and water regulations and laws, unifies the commercial policies, provides customs protection to the local products of the member states, and gives these products priority in the purchase bids and requests of the governmental projects in the member states. This is in addition to regulating the acquisition of real estate by the citizens of the GCC member states, regulating their economic activities in each state, and unifying the fees and prices of the oil and gas services and byproducts by setting up the Gulf Investment Establishment whose capital amounts to \$2.1 billion and which seeks to contribute to bolstering and developing the member states' economic and financial resources by investing its monies and whatever monies are entrusted to it in the various spheres of investment inside and outside the council members states and by employing these monies in accordance with the right financial and commercial methods and in a manner that guarantees their growth in the various spheres.

## Development's Objectives

Through a careful and comprehensive look at the objectives of economic development in the GCC member states, we find that these states adopt the policies needed to achieve these objectives and that in making their investment and expenditure decisions, they take into account all the economic and social considerations and the establishment of a balance between the production sectors and service sectors.

One of the most significant objectives of economic development in the GCC member states is to diversify the sources of revenue by reducing reliance on oil gradually so that oil's contribution to the gross domestic product and to financing the public spending may diminish gradually. The objectives also include developing the natural resources expected to yield an economic return in the future, such as mineral and marine resources; making water a fundamental element and an important criterion in assessing the economic efficiency of state projects and vertical expansion in petrochemicals, gas derivatives, and the oil industry; and encouraging the citizens of the member states to invest their monies in agricultural projects and other projects that employ modern technological means, such as solar energy projects, modern irrigation methods and greenhouse farming, with the emphasis on employing, training, and qualifying national manpower to work in these projects. The objective of this is to give the GCC member states' private sector the opportunity to participate with the government in owning and managing some industries and economic projects and in setting up national firms to invest monies at 'lome. This is in addition to having this sector participate in formulating and implementing plans and programs for training, for developing production, for introducing new innovations, for conducting research, for modernizing the management systems, and for increasing work opportunities for the citizens.

#### Food Security

There is no doubt that the food security issue is one of the most important objectives of the economic development plans of the GCC member states which

fully realize that there can be no independent political decision-making without a productive national economy that secures the citizens' food needs. Even though there are in the GCC member states climatic and natural barriers that obstruct the production of food in the desired manner--barriers such as dry climate, the extension of the desert that covers most parts of these states, the lack of water resources, the salinity of the soil, and the high temperatures--great efforts are being exerted ceaselessly to confront these challenges and to raise the local food production rates by discovering new water sources and new methods to deal with soil salinity and by using the modern agricultural methods that reduce the negative impact of high temperatures and other factors.

To achieve food security in the GCC member states, several meetings have been held between the agricultural officials of these states under the supervision of the General Secretariat which, in addition to this, has organized a number of symposiums and research seminars for officials concerned with agriculture and food. The six ministers of agriculture held their first conference in Riyadh in January 1983 and issued several resolutions aimed at establishing a common agricultural policy that achieves agricultural integration and provides the GCC member states' food needs. The most important of those resolutions called for forming a permanent water committee and dealt with land uses and the unification of the laws concerning agricultural and veterinary quarantines, in addition to calling for establishing a joint livestock production plan and for studying the possibility of setting up a joint project for the production of all kinds of poultry. It was also decided to encourage date palm cultivation and the development of fish resources. The ministers also recommended that priority of investment in the GCC member states be given to the agricultural sector.

#### Unified Legislation

In the preceding phase, the GCC General Secretariat in Riyadh began to implement some of the projects included in the programs proposed for the common agricultural policy of the GCC member states after approval of the programs by their excellencies the ministers of agriculture and water resources. The most important of these programs are to promurgate legislation unifying the agricultural and water regulations and laws, to establish a number of joint projects to conduct surveys of and classify some natural resources, and to determine the means to preserve and utilize them in an ideal manner. One of the most important projects that will see the light shortly in this sphere is the formation of a major firm in which the private sector participates to produce native breeds of poultry. Participants from all the GCC member states were recently invited to a meeting held at the General Secretariat's headquarters to discuss all matters pertaining to the establishment of this firm. An announcement will also be made shortly on the formation of a joint private-sector company to produce and market seeds so as to protect the GCC member states' farmers from the cheating and adulteration to which they are subjected in this regard. This company is also to be established because of the major importance of its contribution to the quality of the main agricultural crops which play a fundamental role in achieving food security for the member states. Moreover, the system of the collective

purchase of veterinary drugs for all the member states will be put into practice shortly, starting with the purchase of four vaccines in the initial phase. The purchase activity will then be expanded gradually. Other agricultural projects on which studies have been completed recently by specialized committees and experts include the drafting of unified regulations for fertilizers and pesticides, for the registration and sale of veterinary drugs, and for the preservation of water resources, in addition to another regulation on the utilization and protection of live marine resources. The study to modernize the hydrogeological maps—maps which cover the full details of the joint al-Dammam water layer—has taken long strides. This is considered an important study by virtue of the scarcity of water in the GCC member states and because it can be utilized to find out how to exploit the available water ideally.

#### Bolstering Industrial Base

The industrial sector's projects hold second place in the GCC member states' economic development plans. These projects are aimed at bolstering the bases of the fundamental industries so as to diversify the national income resources instead of relying on a single depletable commodity such as oil. Even though the contribution of the GCC member states' industrial sector to the gross national product constitutes at present no more than a meager 8 percent, the importance of this sector lies in its ability to transfer and establish industrial technology in the area's states through scientific and technological unification and specialization which contribute to developing an Arab Gulf generation capable of participating constructively in the economic growth processes and in diversifying the economy. This diversification is one of the challenges imposed and demanded by the area's future circumstances. great hope that this objective will be achieved and that the obstacles hampering the major industries in the six states--obstacles embodied in repetitive production patterns, in the narrow foreign outlets for the marketing of these industries' products, and in the strong foreign competition to which the products are subjected--will be eliminated.

#### Protection of Gulf Products

To develop the GCC member states' industrial sector, the ministers of industry held their first meeting in Riyadh at the end of October 1981 to formulate a unified industrial strategy. The priorities of this strategy's objectives included achieving coordination and integration among the national industries existing in the six states. To realize this, the ministers approved at that meeting the principle of working to protect and encourage the national products versus the competition of similar foreign products and to set the bases and rules that guarantee implementation of that resolution in the desired manner. The ministers also recommended unifying the Gulf regulations and laws concerning industry whenever possible or, at least, reducing the differences, variations, and disagreements among them. The ministers of industry also discussed the plan to set up an agency to bolster and develop industry in their countries. They also discussed the possibility of the maximum utilization of the existing industrial training centers and of setting up specialized centers to train Gulf manpower on work in the industrial spheres.

To complete this policy, the ministers of industry in the six states decided at their meeting in al-Ta'if, held in October 1982, to require all the GCC member states to use the products of the basic industries existing in the area for the governmental projects and to entrust the General Secretariat to conduct a comprehensive study on five industries, namely cement, aluminum, iron, copper, and asbestos, and on the means needed to protect them from foreign competition. They also decided to ban the construction of new cement plans until the study is completed. Moreover, the ministers approved transformation of the Saudi Standards and Measurements Center into a unified Gulf authority. They also approved the creation of a data center in coordination with the Gulf Industrial Investments Organization and agreed to entrust the General Secretariat to study the creation of joint industries throughout the area in the spheres of medical drugs, electrical appliances, and construction materials.

#### Reciprocal Treatment

At their third meeting, held in Riyadh in December 1983, the GCC member states' ministers of industry agreed to begin preparing for negotiations with the EEC member states to lay the bases for facilitating the entry of the Gulf industrial products to the EEC countries and to establish the principle of reciprocal treatment between the two economic blocs. The final statement issued by that meeting said that the ministers discussed the industrial development strategy and decided that it should include the issue of "similar industries" in the member states because there is no harm in the presence of similar small or medium-size industries in their states. However, the ministers urged at the same time the need for coordination between the member states in the establishment of major industries. The statement also noted that the ministers agreed to set up a unified car tire project to meet the needs of the entire area, provided that the Gulf private sector implement this project. They also proposed that the Gulf Industrial Investments Authority conduct a study on several joint industries, including a project for the production of fiberglass and a project to process coal. In their statement, the ministers lauded the Saudi initiative of offering SABIC's [Saudi Basic Industries Company] for subscription by the citizens of the member states and demanded that the GCC member states embark on similar steps.

### Joint Projects

So that the GCC member states' industrial development strategy may be based on well-studied scientific foundations, the GCC General Secretariat completed a draft plan for this strategy after holding a plenary symposium for the purpose in the State of Bahrain in May 1984. The secretariat enlisted the help of the recommendations issued by that symposium and of the data and proposals available to it on this issue to determine the final features of this draft strategy. The draft was then presented for discussion to a technical committee comprised of experts from the member states. This committee approved the draft in preparation for submission to the forthcoming meeting of the ministers of industry to ratify it.

In view of the interest of the leaders of the GCC member states in studying the possibility of setting up joint projects and of encouraging the citizens of the member states to participate in them and in implementing the resolution issued by the fifth summit, convened in Kuwait, in this regard the GCC General Secretariat, in cooperation with a UN expert, completed the formulation of a comprehensive visualization of the distribution of joint projects in the member states. At present, the secretariat is engaged in contacts with the International Financing Establishment of the World Bank to cooperate with it in conducting a more comprehensive and detailed study on the joint projects that can be set up in the GCC member states in the future.

Another study completed by the General Secretariat concerns the methods needed to provide customs protection for the member states' products that are competitive in price, quality, and delivery. The study focused initially on the cement, iron, and steel industries. Another study conducted by the secretariat is an economic feasibility study on the establishment of a project to supply the factories' needs of spare parts—factories such as oil refineries, iron and steel plants, aluminum and cement plants, and petrochemical plants. This study was conducted in cooperation with an international consulting firm and recommended that detailed economic feasibility studies be conducted on manufacturing a number of the suggested spare parts and on the service programs which the project will offer the industrial sector. The General Secretariat is currently engaged in contacts with a number of expertise houses to submit their bids on these studies.

#### Trade Cooperation

In the sphere of trade cooperation, the GCC member states have made a number of strides in the past 5 years by implementing the contents of the unified economic agreement in this regard with the aim of developing trade exchanges between them and of making it easier for their citizens to engage in commercial activities without any obstacles. Since 1981, the member states have become fully convinced of the need to establish a commercial bloc among themselves in order to bolster their position versus the regional blocs and to change the positions of other countries toward them in a manner that serves the interests of the GCC member states' peoples. They are also inclined to adopt a new trade policy based on the collective importation of their essential food needs, such as rice, sugar, and wheat, and their drug needs in an attempt to eliminate the practice of discrimination in prices and of monopolies to which some countries resort when exporting their goods to the area's states.

Foremost among the projects for trade cooperation among the GCC member states is the project to secure a strategic food store. The study, supervised by the GCC General Secretariat, has made long strides in this respect and it covers the main commodities to be stored, the selection of the proper storage sites, the size of the stores, and the expenses required for the purpose. Some phases of the study have been presented to the GCC ministers of commerce. This study is one of the most important economic and strategic studies by virtue of the fact that it covers issues that touch the lives of the GCC member states' citizens and proves the strength of the bond and fraternity that tie them to each other.

## Standards and Measurements Authority

The General Secretariat is engaged in conducting other studies aimed at enhancing trade cooperation among the member states in the coming phase, including a study on the possibility of establishing a unified system for the distribution of essential food supplies and another study on unifying the regulations for licensing and registering certified accountants in the member states.

There is no doubt that the emergence of the plan for the GCC member states' Standards and Measurements Authority is a vanguard step on the path of economic cooperation between them. A list containing 48 standard measurements was prepared and these standard measurements were made unified Gulf standard measurements at the first meeting of the authority's executive board on 17 July 1984. The authority will issue seals of quality and certificates of compliance for the member states' products, will prepare a comprehensive plan for its standardization activities in the various spheres, will distribute its burdens among the member states according to their capabilities, will offer them technical assistance, and will follow up on implementing the approved standards through the standardization agencies of each of the member states.

#### Role of Gulf Investors

# Abu Dhabi AL-ITTIHAD in Arabic 3 Nov 85 Special Supplement p 22

[Text] Economic integration between the GCC member states is a requirement for creating a strong economic unity in an age that does not acknowledge and that has no mercy on small entities. The importance of this integration emerges in light of the similarity of many of the economic activities, especially in the agricultural and industrial sectors.

The question raised by many in Gulf society is: How is this integration to be achieved, not only at the official level but also at the popular level, so that the economic interests may be interlocked with other cultural, social, and geographic bonds in the integrated fabric of the GCC member states? To put it more precisely, how can the Gulf investor play a fundamental role in the integration procession, exerting efforts along with the efforts exerted by the governments since the conclusion of the unified economic treaty, to achieve this objective?

It is obvious so far from the statements and recommendations issuing from the official meetings that the GCC member states' governments encourage private investment to participate in the major joint projects between the council member states. But it cannot be said yet that there are tangible results reflecting these recommendations in the real world. The question is: Why? Many Gulf economic responsibilities that have spoken on this issue have expressed various opinions. They have also offered numerous proposals on the means to achieve this objective.

#### Economic Developments

Before tackling this issue, we believe that it is beneficial to shed light on the most significant developments in the economies of the GCC member states since the oil leap, especially in the 1970's. Since then, the GCC member states, with the exception of Saudi Arabia which had started earlier, have been able to achieve tangible accomplishments in numerous agricultural and industrial production spheres and it is now common to see vast areas of yellow desert sand covered with greenery. Gigantic industries have risen in numerous cities, of which the most important are perhaps the petrochemical, aluminum, iron and steel, and copper industries and numerous food industries set up by individual investors with the support of these states. It is evident that the majority of these industries have been channeled primarily toward meeting the local markets' needs of numerous commodities. As for the industries that channel their production toward exportation, their contribution to the national product is still limited. This situation has given rise to a debate among researchers on the quality of the projects that are supposed to be established in the area in light of the currently available resources and on the basis of a full accord on a fundamental objective on which both rulers and ruled agree, namely the need to diversity the Gulf states' national income sources instead of relying on a single depletable raw material, i.e., oil, and at the same time on the need to secure a productive economic base for future generations so as to provide them with honorable chances and so that they may not face the ghost of unemployment, even though capital deposited in the banks is available.

#### Expansion Possibilities

Some researchers believe that some possibilities of expanding the production base in the Gulf states are available whereas others believe that efforts must be exerted to create these possibilities. If capital is available, energy prices are low, and raw materials can be imported, then export industries can be set up, as proven by the experiences of Japan and Switzerland. But with the availability of the above-mentioned elements, there are two significant problems facing the expansion of these activities.

The first is the relative inability of the local market of each Gulf state to absorb the production of this state's plants and farms, especially if the Gulf citizen cannot accept the quality standards of the local products which may be lower than the standards of similar imported products. Here, the issue of resorting to strict customs protection is raised. Some Gulf states have in fact imposed simple protection for some of their products either by imposing a ban within very narrow limits and in a few cases or by imposing customs fees on similar imported goods. But it can be said that on this issue, most of the Gulf states make it conditional that two elements be met, namely quality and proximity in prices. This means that the GCC member states still cling to the free market concept which allows the better and the stronger to survive the competition. Some believe that this competition is beneficial so that some local industries may not rely on protection and stop developing themselves. But others believe that protection is necessary and that the local industry must be given greater opportunities to grow stronger and survive.

The second problem is the shortage of technically trained manpower. This is an element that is not yet available in the area. This is why the area has turned to foreign labor, which usually gets high wages which contribute to increasing the commodity's production cost. It is believed that this problem can be solved by way of providing greater training for national labor on technical work compatible with the technological level of the imported machinery. However, some believe that reliance on foreign labor will continue because of the unavailability of the required numbers and needed quality at home and because of the disinclination of the Gulf citizen to engage in skilled labor and his inclination for administration work. But this belief is rejected by many who view as valuable the Saudi experiment of training Saudi citizens in numerous skills. Moreover, others believe that the increasing number of university graduates in the coming period will put the graduates face to face with a fundamental option: either unemployment or training in the skilled and rewarding labor needed by the market.

#### Where To ...?

Assuming that these problems are solved or alleviated with the passage of time, then the question here is: Where is the GCC member states' productive economic activity heading? Dr Khalid al-Fayiz, executive chairman of the Gulf Investment Authority, believes that these activities can proceed in two main directions: first, the production of goods that meet the local market needs and, second, the production of goods at competitive prices for the world market.

As for the goods and services produced for the local market, Dr al-Fayiz believes that the Gulf market is distinguished by high purchasing power, a fact demonstrated by a glance at the list of imported goods. The chances of setting up projects in the area can be assessed according to this list. Moreover, there are big opportunities for setting up industries to produce spare parts. As for the service projects, there are numerous opportunities. If we look at the electricity sector, which is an enormous sector in the area, it is possible to set up some industries that supply this sector with its needs. There are other similar sectors, such as the transportation and building and construction sectors, where the infrastructure--public utilities--which as set up in the past decade requires numerous maintenance services. This can encourage the creation of numerous maintenance firms. There are also the major industries that have been set up, such as the irror and steel, aluminum, and petrochemical industries, which require numerous projects to complete the front and rear links connecting them. This is in addition to service projects in the tourism, insurance, and financial fields.

As for the goods to be channeled to the world market, Dr al-Fayiz believes that the Gulf area enjoys a competitive advantage in three basic elements: relatively cheap energy, the availability of oil and gas in a large volume and at a low production cost, and the availability of capital. These three elements can be relied on in some major industries, such as the petrochemical industries with their various derivatives, mining industries, and some high-technology industries.

#### Basic Obstacles

In the real world, this general futuristic picture is expected to encounter several basic obstacles:

First, the similarity between numerous production and service activities, particularly in the agricultural and industrial sectors, in the financial institutions, and in the nature of the Gulf investors' investment activity. This is a problem that will generate a multiplicity of settly less that is undesirable in the integration process, especially in light of the second obstacle.

Second, the inability of the local market of each Gulf state independently to absorb this state's agricultural or industrial production, or even its investment and financial activity. Consequently, it is normal to try to market this production in the closest market geographically, namely the Gulf market which includes the other five GCC member states. This is an issue that could create numerous problems, especially in light of the difference in the production sectors' growth rates in the member states, since some states have made long strides and others are at the beginning of the road. This may encourage the less developed states to take steps to protect their young industries, especially since some of the member states give big investment incentives that amount at times to 100 percent of the commodity's production costs whereas other members cannot, because of their comparatively small resources, provide the same incentives and set numerous conditions for incentives that range from 50 percent to 70 percent of the production cost. These differences can explain to us why some of the economic integration. steps have faltered.

If this apprehension on the part of some people, especially those going through the initial building phase, is understandable, then many prominent Gulf economists believe that the best approach in this phase is to focus on major joint projects and to distribute them within the transwork of coordinated development policies, even though an argument is raised by some people over an important point, namely the scarcity of ideas on the projects that can be set up. I believe that this argument may not be accurate, especially in light of the GCC member states' development plans. Most of these economists believe that the best method to implement these projects is to increase private investment's participation in the projects. The private Gulf investor's participation beyond the boundaries of his own state is still limited. Some businessmen believe that the real problem behind this reluctance is the investor's uncertainty of his state's support for the joint project. If the investor were certain that his state supports the project, then he would participate without hesitation. This is the outcome of the experience of the investor's reliance on his state's care. But some people believe that the issue is not an issue of courage and that there is a fundamental problem, namely the difference in the investment incentives given to the investor in the various member states. This is something that is capable of attracting investment to one or two of the states and of depriving the other states of joint projects. Therefore, the issue of incentives in the GCC member states must be balanced. There are numerous proposals in this

regard of the read to set up a unified function in the giant projects so that the state in the giant projects are shall be added to the development funds in the giant property that the gramment of a unified fund that offers are the giant that gramment projects that such a property that the development plans, if not by a given the gramment plans after the development plans after within the gramment process.

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EGYPT

HEATED DEBATES EXPECTED IN UPCOMING PEOPLE'S ASSEMBLY

Cairo ROSE AL-YUSUF in Arabic 11 Nov 85 pp 12, 13

[Article by Samir 'Izzat: "A Very Heated Parliamentary Session!"]

[Text] The National Party's parliamentary board is holding a meeting this week to appoint the board for the People's Assembly office, which will include the chairman and two vice chairman, and agree on the means of action and form and subjects of discussion during the new parliamentary session. A tendency is developing to nominate Dr Rif'at al-Mahjub as chairman of the assembly and Counsellor Ahmad Musa and Mahmud Dabbur as vice chairmen, contrary to what opposition sources have been continually saying concerning a change in the two vice chairman regarding what they have called the existence of disputes between them and Dr Rif'at al-Mahjub.

On Tuesday 12 November the People's Assembly will hold two sessions on procedure under the chairmanship of Mrs 'A'ishah Hasanayn (the oldest member). The election of the chairman (the two vice chairmen) will be at the first session; then the chairmen of the 12 assembly committees and the vice chairmen and secretaries of these committees will be elected.

President Husni Mubarak will open the new parliamentary session on Wednesday 13 November by giving an important political speech in which he will spell out the tasks of parliamentary, political and executive action during this session. On 20 November, Dr 'Ali Lutfi will give the cabinet's statement.

The new parliamentary session is the second one in the multi-party context and the 58th in modern parliamentary history. The new session will be characterized by a number of basic features, most important of which are:

It will be taking place in conjunction with an important stage of national action in which the domestic front, majority and opposition, must form close ranks, and no foreign powers will be permitted to exploit the climate of democracy.

It will be taking place in conjunction with the final 2 years of the 5-year development plan and preparation for the second 5-year plan.

It will be occurring following a new tradition, the first of its kind in the history of Egyptian parliamentary life, which President Husni Mubarak established when he met with the leaders of the opposition and members of the People's and Consultative Assembly at a tea party at the end of the previous session. This tradition then became a dominant one through his meeting with the opposition leaders after the Israeli raid on Tunisia and the Egyptian airplane incident; although some excesses have occurred on the part of the opposition, this tradition remains a clear sign of President Mubarak's appreciation for fruitful, constructive cooperation between the majority and the opposition, in a manner strengthening the course of democracy and parliamentary conduct in the new session.

On this subject, Dr Rif'at al-Mahjub, chairman of the People's Assembly, said:

"The current stage demands that all assembly members, majority and opposition, set out in the new session to form a noble, bold national bloc for the sake of a positive, serious confrontation with society's problems and its national goals."

While the previous session ended with a dramatic, provocative scene, when Dr Rif'at al-Mahjub issued a decree removing parliamentary immunity from Mr Hasan Abu Basha, the minister of local government, on the basis of a request from the minister of justice, and from two Wafdist deputies, due to an investigation into them by the prosecutor's office, and the opposition withdrew at the end of the session, this did not affect the relationship between the assembly chairman and the opposition deputies, since Dr Rif'at al-Mahjub asserted, "Party disputes are disputes of principles, programs and solutions. I do not harbor disputes and let them affect my conduct, and I do not allow differences of opinion to affect my personal relations with the deputies. Nor can I live with a hostility which has become obsolete. I am attached to everyone by strong friendships."

The new session will also be characterized by the development of further coordination in the relationship between the People's Assembly and the cabinet and between the deputies and the National Party. ROSE AL-YUSUF has learned that the National Party's parliamentary board will commit itself to President Mubarak's directives to act as a party parliamentary board within the assembly, especially with the interrelationship that has come about because of the recent appointments.

In another area, Dr 'Ali Lutfi, the prime minister, has been anxious to meet with the governorates' parliamentary groups, according to a schedule drawn up before the beginning of the new session, to strengthen further coordination which has settled not for a single minister for People's and Consultative Assembly affairs, but rather for two ministers, Muhammad 'Abd-al-Hamid Radwan and Dr al-Sayyid 'Ali al-Sayyid, each of whom had previously occupied the position of People's Assembly vice chairman.

In this regard Muhammad 'Abd-al-Hamid Radwan, the minister of state, said:

"The government is devoting great attention to this session and there is total encouragement from the political leadership so that the

interrelationship may be supported and cooperation between the executive and legislative authorities brought about in order to guarantee a solution to the masses' problems. This firm cooperation will continue, so that the masses' hopes may be realized."

He added, "A number of drafts of important laws related to the masses' problems and the realization of stability as a basic rule of development will be discussed during the new session of the two assemblies."

Dr al-Sayyid 'Ali al-Sayyid, minister of state for People's and Consultative Assembly affairs, said,

"The new session will be one for realizing legislative stability in a manner which will guarantee that contradictions among laws will be reduced, and an effort will be made to unify them, realize increased production and encourage private and productive investment. It will also be a session of decisions regarding problems the Egyptian citizens are suffering from, especially that of housing, since radical solutions will be reached during this session."

ROSE AL-YUSUF has learned that there are numerous drafts of laws which the government has prepared for discussion at this session, most important of which are:

The draft of a law regulating the deeding of apartments, which has the goal of protecting citizens from illusory projects and guaranteeing the rights of people participating in deeding projects.

The draft of a law on the relationship between landowners and tenants with the goal of drawing investment back into housing; the return on investment in housing will rise to 10 percent instead of 7 percent. It will also regulate the relationship between the owners of old dwellings and the occupants of these properties.

Legislation regulating the activity of censorship agencies.

The draft of a law permitting the National Investment Bank to issue national development bonds which are not subject to monetary surveillance, in Egyptian pounds and in dollars.

The draft of a law to amend the provisions of the law issued in 1973 bearing on the appointment of surplus media graduates after they have been trained and accredited in accordance with transitional training programs to be held in each governorate for people residing in them, in accordance with the various bodies' needs for the performance of productive activities in new town projects.

The amendment of the local government law in a manner compatible with local requirements to promote development operations and encourage participation by the people. The draft law has the aim of giving priority to amending increases in local revenues and helping the governorates set out specific levies to be used in carrying out essential projects, one basis of which will be participation by the people and internal efforts.

ROSE AL-YUSUF has learned that nine requests for thorough discussions have been presented to the assembly at its new session. These consist of:

The housing problem and ways of reducing its severity.

Housing policy in Egypt.

The population problem in Egypt.

Positive and negative aspects of the local government system and ways of supporting it.

Supply policy.

The establishment of new towns and communities.

The phenomenon of electricity shutdowns.

Electric power reinforcement and supply.

Ways of developing and shortening real estate notification and documentation procedures.

Counsellor Mumtaz Nassar, leader of the opposition, said:

"This session will be very heated because the opposition will resubmit some recommendations of drafts of laws, requests for information and questions which ceased to be in effect when the previous session ended, including abrogation of the exceptional laws and laws restrictive of freedoms and amendment of the law on People's Assembly elections. The opposition will ask for a freeze on the Camp David agreement and a discussion of America's position on the latest events."

Eng Ibrahim Shukri, chairman of the Labor Party, said:

"I hope that this session will be better than the ones that preceded it, that democratic style will be the solid road toward it so that the people's goals regarding development and the solution of chronic problems may be attained, and that the opposition will receive its opportunity in full to oversee the government by means of questions, requests for information and interrogations, of which we will have many in this session, although a limit was placed at times on the opposition's rights regarding certain sensitive subjects of importance.

"I consider that a review should be made of the assembly bylaws during this session."

Finally, one word remains:

The assembly, majority and opposition, bears the duty of implanting the sound exercise of democracy, turning the negative features the previous session displayed, with the phenomenon of packing the schedule with a

number of drafts of laws and important, serious consistent required profound thought rather than specifies the characterizing parliamentary conduct by december the sense that support or rejection not be connected to the lating majority party or the opposition, so that positions have the light of the public interest, not party interests, and interest the light committees engage in their activity in a more empirical to hearing sessions at work and production sites.

#### First and last:

The deputies should be concerned with what the manded of them, that they be models when will be the models when with the opposition and the models when we will be the models when we have the models when the models where the models when the models when the models when th

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EGYPT

DEVELOPMENTS IN RELATIONS WITH ARABS, UNITED STATES CONSIDERED

Cairo AL-AHRAM in Arabic 27 Oct 85 p 7

[Article by Salamah Ahmad Salamah: "What Will Follow Recent Developments?"]

[Text] Many Arab pens and even more loud Arab voices have found an auspicious opportunity in the aftermath of the recent events to express their views—not of the way in which the Arab world should awaken from its slumber and restore its ability to take action and initiative, but of the way Egypt can prepare itself to enter a new war. None of the owners of these strident voices and clamoring pens have considered what the many other Arab countries must do to develop their own powers and invest their own resources in order to doff the cloaks of economic, cultural, military and political subjugation so that they can stand on an equal footing with their enemy and restore the legitimate rights of the Arab people in Palestine and elsewhere. Instead, they have considered, concocted and formed stubborn opinions that Egypt alone is the one that must learn the lesson, suffer its consequences and review all of its positions and policies.

Some of the people in Egypt--politicians and common people--have been taken by this logic and seduced by these suggestions without realizing that the lessons of recent history and the outcome of events we have recently experienced confirm that Egypt must not bear more Arab responsibilities than it is capable of or more than is dictated by its national conscience, its historical view and its Arab incerests as seen and believed by the Egyptian people, not as seen by some Arab regimes who play hollow heroic roles and make no preparations to suffer and sacrifice.

It is clear that recent events—the Israeli raid on Tunis, the hijacking of the Italian cruise ship and the diversion of the Egyptian airliner—have raised a number of questions. The reassessments of positions has not yet ended, and we doubt that they will end any time soon. It is natural that this questioning be sharper in Egypt than in any other Arab country because the Egyptian people's automatic sense of responsibility often exceeds all of the Arab sentiments that remain hidden in the Arabs' hearts and all of the claims and slogans that pervade political thought on the Arab scene. Both popular and official Egypt have moved to confront recent developments in a way that they have found appropriate to defend the honor of the Egyptian people and the interests of the Arab nation. They have done this without waiting for a

resolution from the Arab League, which has frozen Egypt's membership, or from an Arab summit, to which it has not been invited. They responded without stalling and assessing the gains and losses as others do who remain silent and turn their backs on the entire crisis. Perhaps the reason for all of this is that the ability of the Egyptian people to express their feelings, whether on the individual, party or government level, is greater than others. This is a characteristic we must seek to preserve and we must avoid irresponsible emotions and outbursts.

The recent developments, then, raise a number of questions concerning Egyptian-American relations as well as questions concerning Egyptian-Arab relations, Egyptian-Palestinian relations, Jordanian-Palestinian relations and Jordanian-Syrian relations.

When we discuss Egyptian-American relations, we also of course mean Egyptian-Israeli relations, since today there is not a shadow of a doubt that the strategic cooperation between the United States and Israel determines the American policy line and colors its actions in the Middle East. Moreover, there is no doubt that Israel shapes its policies in accordance with American goals and interests. Likewise, America, in its turn, protects Israeli goals and interests.

It is widely accepted that Egyptian-American relations have been exposed to a number of unannounced stresses throughout the past several years, but the most recent crisis in these relations has been the most difficult and the most public. Washington did not refrain from taking stern and unusual action against Egypt in light of the acknowledgement by both sides that a special relationship binds them. Also, Egypt did not hesitate to show its extreme anger and indignation over what had happened. Because both sides realize that strong common interests exist that cannot be sacrificed suddenly overnight, both retreated a measured step from the brink of the crisis, waiting to see how circumstances would evolve. Although Egypt realizes the risk of strong dependence on a superpower—a risk it certainly realizes through the previous experiences of the past many years—it is Egypt that must decide, in light of the delicate balance between gains and losses and between advantage and harm, when to take a step forward and when to step backward. Egypt is prepared to face the consequences of either move on its own.

From this it is possible to understand Egypt's irritation, on the political level in particular, when one of the Palestinian officials—we mean Abu-al-'Abbas—who was involved, either through knowledge of or participation in the operation to hijack the Italian Italian ship, revealed that the goal of this operation was to cause a split in Egyptian—American relations or, in his own words, to "upset the excellent Egyptian—American relationship and destroy Camp David." It was as though Egypt, which was deeply involved in the Palestinian cause long before and after Camp David, needed such a failed operation by Abu-al-'Abbas to realize its policies and correct its course.

The question of Egyptian-Palestinian relations raises the larger question of the problem of Palestinian-Palestinian relations. The naive multiplicity of twists in the Palestinian positions does not in any way serve Palestinian, Egyptian, or Arab aims, and has caused more harm than gain. The situation

invites ridicule from friends and enemies alike. Egypt's desire to deliver the four hijackers to Palestinian authorities as quickly as possible was the cause of many complications. It caused the Tunisians to renege on their promise, and there were difficulties in communications between Egypt and the Palestinian leadership during the critical moments. Abu-Iyad, in trying to justify the Palestinian position, insulted Egypt and its role, whether he sought to or not.

At the same time, many American and Israeli powers and some Arab powers are interested in widening the split between Egypt and the PLO and replacing the harmony between the two parties with discord. This must be taken into consideration.

However, we must acknowledge that the logic used by Abu-al-'Abbas is the same as that used by many among the Palestinian leadership and many Arab leaders. They are encouraged by the writings and beliefs of some parties in Egypt that hold the same views. It appears that those of this ilk are not interested in achieving any progress on the road to settling or solving the Palestinian issue, certainly not to the same extent that they are interested in damaging Egyptian-American relations and destroying Camp David as two inseparable goals in themselves. They do not make a realistic and objective assessment of the Arab and Palestinian situation, the international balances and distribution of power, and the points of war and conflict in the region.

What is noteworthy on the Arab scene is that the failure of the proposed discussions between the British foreign secretary and a joint Palestinian-Jordanian delegation was welcomed in certain Arab circles. These circles also saw in the reconciliation concluded between Jordan and Syria, which came in the context of what was called a clearing of the Arab atmosphere, an implicit surrender of the Jordanian, and thus Palestinian, position to the Syrian option. This is what led many to predict the imminent collapse of the Jordanian-Palestinian agreement and a likely fundamental change in the direction of Egyptian policy.

Undoubtedly, the recent events have reshuffled and re-dealt the cards in the region in a way that is difficult to read at the present time. The coming few days certainly will provide answers to many of the questions and clarify many of the situations, for example:

- --Will the Jordanian-Palestinian agreement weather the recent storm and how will the Jordanian monarch display his displeasure at the behavior of the Palestinian delegation in London?
- --Will the position of the American congress, which is against the weapons deal for Jordan, persuade King Husayn to continue the peace process?
- --Does the Jordanian-Syrian understanding in the context of the effort to clear the Arab atmosphere go beyond the limits of diplomatic cordiality and the usual Arab formalities to a change in the sharp positions that have divided Jordan and Syria in recent years?

--Do the recent Israeli proposals announced by Peres at the United nations ontain any serious changes in t' Israeli position, which is hostile to a peace settlement and to the right. If the Palestinian people?

all of these are surning questions that envelope the current ituat on in uncertainty in a way that does not leave Egypt room for muss imparison or choice, except to focus on its severe internal problems, which sap its political and economic abilities and its free will. At the same time, Egypt must continue movement to protect the right of the Palestinians to participate in any settlement or negotiations and affirm that the Palestinian issue has always been and continues to be the principal element in the conflict and the principal eleme + for stability in the Middle East.

Eare even more convinced of the necessity of this course by the fact that Egypt, despite its efforts, will not be able to change in the near term this negative and deteriorating phenomenon in Arab policies, which have come to reflect openly that narrow private interests supercede general pan-Arab interests. This was manifest clearly in the Tunisian reaction during the crisis. It is the site of the (PLO) headquarters, but it did not hide its complete indifference to the hijacking of the ship or the diversion of the airliner. It later became clear after all the lies told in the customary Arab manner that the PLO would soon quietly leave Tunis. Another clear manifestation was the Syrian reaction. Syria turned over the corpse of the murdered American passenger after retrieving it from Syrian waters to prove that the crime was committed by the four Palestinians and, thus, the PLO.

Those who are trying to push Egypt to bear all of the burdens resulting from the current Arab situation are endangering Egypt's future and stability and are wagering on leadership roles whose time has past. The situation in the Arab world has completely changed since the 1960's. When probing the place to put its next footstep, Egypt needs to be wary of American and Israeli minefields. It must likewise be wary of traps of Arab manufacture and deal carefully with the good intentions behind all of our feelings of anger and indignation in the wake of the recent incidents.

12608 CSO: 4504/70

EGYPT

CALL FOR ECONOMIC INDEPENDENCE FROM UNITED STATES

Cairo AL-AHRAM in Arabic 23 Oct 85 p 18

[Editorial by Anis Mansur]

[Text] At just the right time, President Husni Mubarak visited a model village in Bani Suwayf that produces and exports its surplus production to the nearby villages. The time was exactly right because when America condemned Egypt, Italy, and Yugoslavia it did so because it aids them economically and its calculation was simple: Political condemnation will match economic assistance. But America was mistaken in its calculation. Its condemnation was more serious. In fact, the worth of this condemnation cannot be measured because we are a people that has long worn its pride on its shoulders and kept it in its mind.

The issue is that as long as we are unable to produce what we consume or produce more than we consume so that we can import what we need, our freedom will be incomplete. The road to political freedom begins with economic freedom, and economic freedom begins with the strike of the hoe and the drop of sweat. This is the road that has been followed by every state that has advanced and surpassed us. If every village produced and exported its surplus, this would mean that all of Egypt would be productive and that all of Egypt would produce more than it needs and could purchase from other states what it needs. It would then be a state free of poverty, a state that had earned its freedom with its own sweat.

The words are ancient and the hope great. But the American hostility toward Egypt, Italy, Yugoslavia, Lebanon, and Tunisia confirms that there is no political freedom as long as economic dependence is heavy and extensive.

If it would not be a great burden on President Mubarak, in fact an impossibility, we would ask him to enter every village, one by one, to encourage them and urge them forward. But it suffices that he has pointed the way, set the example, and revealed the best model so that it can be pursued by the governor, the minister, and the rest of the leadership. Had President Mubarak not pressed for the completion of the Giza tunnel on schedule, it would not have opened this year and we would have remained suppressed and angry.

The president has exposed us to ourselves. We are able, therefore, to accomplish everything on schedule as long as it is in response to the personal directives of the president. This, of course, would be a great burden on the president and an invasion of his time, which is allocated to larger issues, such as the building of economic and political bridges for the sake of peace for Egypt and peace for the Arab world.

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#### STRUGGLE FOR POWER IN UNIVERSITY CHRONICLED

Cairo ROSE AL-YUSUF in Arabic 11 Nov 85 pp 20-23

[Article by 'Abdallah Kamal: "The Nasirists, Sadatists and Islamic Groups in the University Elections"]

[Text] The sixth elections to the student federations in Egyptian universities will take place in the next few days, in accordance with the 1979 bill, which some students are objecting to.

The old demands are still at hand. These include the abrogation of the 1979 bill and the reinstitution of the 1976 bill until a general students' federation meets and approves the bill they want. The source of the objection to the bill is that it does not allow freedom of expression within the walls of the university and imposes supervision by professors on student activity, and also that it has led to the abrogation throughout the republic of the General Federation of University Students which as an influential force has given concrete form to student activity.

Controversy has arisen over the university guard since the students believe that it goes beyond its mission of protecting the university buildings and regulating entry into the universities to other things.

How, now, are events proceeding within the university, shortly before the elections? What are the influential forces in the universities?

What should be observed is that the students are divided into three distinctive groups:

The first is a broad base of students whose sole concern is to attend lectures.

The second is a substantial number who prefer to "observe" what is going on.

The third is three organized groups which lead student activity. These are:

The National Committee for the Defense of Students' Rights which came into being in February 1984 following the world student day demonstrations. This

comprises a number of branch committees in a number of faculties and a main committee for the university as a whole. We could call it leftist in character except that some of the elements in it assert that they take an open mind toward everyone. In general, the two most important groups in it are the Nasirists and the Marxists. The committee is subject to the charge that its activity is planned by certain political parties.

The Nasirist Thought Club's activity was suspended after the events of 18-19 January 1977, then resumed in 1982. It held its ninth general conference and its secretary general, a political and mass action officer, an organization and communications officer and a guidance officer were elected.

It has repeatedly been said that the club has indirect contact with the Nasirists outside the university through certain young leaders who are the link between them and the Nasirist leaders.

It has also repeatedly been said that the club accumulated 500 membership forms for the Nasirist Arab Socialist Party that is being established.

The people in the Islamic group present themselves as brothers who consider that Islam is the sole solution to all problems and setbacks and that they want the Koran to be reinstituted as the sole source of legislation, adopting wisdom and good exhortation to that end. They are a group which is large in number and their activity is organized and manifests good internal order. The degrees of thinking among their personnel range from openmindedness to harsh extremism. Their reputation is not free from the charge that their activity is planned outside — outside the university, as a result of non-student elements there or the magnitude of the financing of their activity.

# Outside the University

Let us begin with these three groups' relationship to political organizations outside the university.

All people deny that there is any relationship between themselves and parties and political organizations outside the university, although the "degree" of denial varies. Everyone has said "absolutely" then gone on to say "but."

One Nasirist Thought Club member said, "We are the group with the least contact with outside parties. By way of acknowledging the facts, I can say that the Nasirists on the outside consist of many numerous groups, and in their present situation they cannot plan and make preparations on our behalf, especially since they have not been formed as a declared organization which is active on the outside. We have done many things of which the party has not had prior knowledge!"

Concerning financing, he said: "You can understand that the people on the outside cannot finance themselves. Do they finance us? Financing activity on the inside is very much an internal affair."

Al-Sayyid Faruq of the National Defense Committee asserted that about a quarter of the National Committee members have party connections (Labor and

the Grouping) but that the rule always is the sovereignty of democratic decisionmaking. That is what protects the committee's independence.

Muntasir Muhammad (the National Committee) said "Any party or political organization is entitled to establish a committee for itself within the university so that all opinions can vie with one another within the university and eventually we can attain maturity of experience outside the university!"

Muntasir stressed that the democratic nature of the committee's organizations was the sure guarantee of independence of action free from tutelage and that the best example was his commitment, and that of other people, to protesting the holding of last year's elections, the holding of elections when the decision had been made in favor of doing so.

To 'Isam Sultan (an Islamic group) the matter was summarized in a few words: "We are in favor of anyone who says 'there is no god but God' and whose sole constitution is the Koran, on the outside or the inside, in body and in spirit, in heart and in soul.

"However, I stress that our financing of activity comes from among ourselves. The financing for the exhibit we held last year, which lasted a week, came from the university students' federation, whose president allocated it 1,000 pounds!"

The Imposition of Political Influence

A fear exists among some people that the student movement will decline in the future, because no new personnel are joining it. Have the three groups, then, absorbed into their ranks new personnel whom they have induced to rise from the level of sympathy to that of active work?

A "Nasirist source" said "The increases have been trivial and if there have been any we absorb them by holding exhibits by which contact is made with the students, they are presented with ideas and an attempt is made to win them over to these ideas, at least those students who are sympathizers." However, he went on to say, "The probability that the activity will decline is not very great; declines occur only when fear exists, as happened between 1980 and 1982; this came to an end with the democratic relaxation."

The National Committee members consider that there has been a limited increase, due to the suppression of thought which is taking place, as they have called it, since some professors often remark that the committee members are reckless, are agents and are failures with wasted futures. That, as Muntasir Muhammad said, is true for ordinary professors up to the president of the university, not to mention the sympathetic professors.

Muntasir added that the low number of people taking out membership might in some cases be attributed to mistakes in the committee's activity. However, he went on to assert "The increase in the committee's activity and the large volume of activity have led it to have a presence and have resulted in the absorption of additional numbers. The greatest proof of our presence is that the president of the university, at one of their exhibitions, told them that they had the right to express themselves!"

'Isam Sultan said "The numbers of active students have increased, but let us realize that no matter how much these numbers increase it will not be right for us to demand the absorption of all the students. The rule is that elite individuals should be active; it is sufficient that the rest understand the motives and support them."

Concerning the fear of a decline in the movement, 'Isam Sultan was not afraid that that would happen, because there has been an increase. [He said] "There have been replacements and substitutions. Moreover, youth, vitality, renewal and persistence do not mean a decline. What would you say when they act in accordance with an idea for whose sake they can give up their lives?"

What is noteworthy is that if any of these groups absorbs new personnel, it will do so not for the sake of support for itself during the crisis of the bill; rather, the basis is the imposition of political influence, after which the students' issues are a secondary political activity, to one degree or another!

## Nonexistent Dialogue!

Dialogue does not exist among the three abovementioned groups. If you ask someone from one group about another, he will not be familiar with it, and even if he is, mere formality will be the nature of the relationship between them. Before plunging into the depths of discussing the channels of dialogue and the nationalistic nature of activity, we must note that channels of dialogue did exist in the seventies, but on the basis of boots and truncheons!

Who is responsible and what is the reason?

The charge comes from the Nasirists, against the Islamic tendency: "They are a group with which it is not possible to hold any dialogue. They are not content with it, basically. We also are opposed, but the reason for the opposition is that they want to consult the sheikh before starting the first steps to eliminate the bill!

"I challenge them to hold any dialogue with anyone!"

Muntasir Muhammad's charges against the Islamic groups continue: "The Islamic tendency is absolutely undemocratic, and that is the dispute; students' rights are not the dispute. Theirs is an undemocratic tendency."

Concerning the Islamic group, 'Isam Sultan made a defense with a philosophical statement: "We are not closed-minded, but we do distinguish between controversy and dialogue. We are not adherents of controversy. We also are not a tool in the hands of the authorities by which to beat the left, as the latter claim. It is just a conjunction of fate."

Perhaps the greatest manifestation of the enmity between the left and the Islamic tendency in the university, quite apart from the intellectual dispute, is the Islamic group's failure to get others to participate in their activity, even in demonstrations.

'Isam Sultan said,

"We allow others to participate with us, but within a system, after seeking the permission of the people in charge of the demonstration activity. There is no reason for others to ride the wave so that they can realize gains which do not belong to them!"

Al-Sayyid Faruq, National Committee member, directed the signal of accusation toward the Nasirists: "The Nasirists are the cause. They try to dominate for political benefits, not primarily student benefits, and turn the university into a card in the game to prove that they dominate the Egyptian streets in all areas. They are the main cause."

'Amr al-Shabaki, a Nasirist from outside the university, has a firm connection with student activity; he said, "We are indeed dominant, and that is not a claim. If the Marxists try to 'Marxify' the National Committee, the Nasirists have the right to resist that. That is the main reason large numbers of us leave the committee, and the reason for the affinity toward the Nasirist Club!"

The Administration, University Guard and Professors

Three groups have differing relations with the students:

The administration:

The Nasirist source considered that it is part of the regime. What is meant by that?

'Isam Sultan said, "No matter how persons may change, the administration is the administration!"

The member of the National Committee: "There has been a relaxation, without a doubt, but the extent of it is in accordance with the tide of the student movement."

The guards:

'Isam Sultan agreed with the National Committee representative that the undeclared magnitude of their role waxed and waned in accordance with the strength of student activity.

The Nasirist source: "There has been a sort of improvement, but in a small way, in accordance with the circumstances of the democratic relaxation and under the increase of pressure from the students."

The professors:

Here we mean people who support the students' rights.

Everyone here is of the view which holds that they have offered what they have, be that moral or material support, through the statements the faculty clubs issue.

The Nasirist source hoped for more. 'Isam Sultan pointed out that they had their own causes, which took up a large part of their effort.

Yesterday -- and Tomorrow!

Last year, the Islamic groups tried to establish the Federation of Students of the Republic, the bill notwithstanding; it elected Dr 'Amr Abu Khalil of Alexandria University as its president. The federation held a number of meetings.

'Isam Sultan commented on this by saying, "This is the maximum the students can do. We have done it, and scope exists for anyone who will respond by doing something."

Before the establishment of this federation, the officials of the student federations in Cairo, 'Ayn Shams, Alexandria, al-Minya and Tanta Universities — which were dominated by the Islamic group last year, as one official of these federations told me — met at Alexandria for 2 days at the beginning of this year, and they decided to send telegrams to the president, the prime minister, the chairmen of the People's and Consultative Assemblies and the former minister of higher education to inform them of the matter and demand a meeting with them.

Dr Rif'at al-Mahjub tried to convince them that abrogating the bill was not his area of jurisdiction; however, he criticized the demands, tried to dissuade them from them and told them that the error lay in the application, not in the provisions.

Mumtaz Nassar expressed sympathy and said that he would submit an urgent request for information on the matter. That has not been done, according to the source's statement.

Ibrahim Shukri asserted that it was necessary to create opinion among the masses and intense public support so that he would be able to venture to discuss the subject in the People's Assembly.

Grouping Party officials refused to meet the students' delegation, the source said.

Concerning expectations for the future:

'Isam Sultan: "We hope there will be a relaxation in the crisis soon, but if it doesn't happen the students' sentiments will explode."

A representative of the National Committee: "We expect a solution soon, but it is connected to the magnitude of the student movement's power."

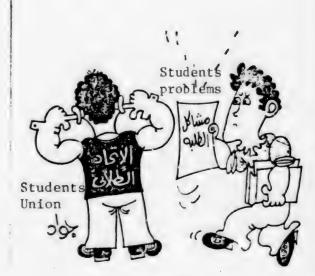
The Nasirist source: "Faint hope exists for a solution."



I'm in the Students' Union Party.
What party are you in?

انا في حزب الاتحاد الطلابي --

وانتي في حزب ايه ٠٠ !؟



without comment « بدون تعلیق »





رابعين نسخن المعركة الانتخابية ١٠٠ ؟؟ We're going to heat up the elections batt

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TUNTSTA

#### BRIEFS

INTERROGATION OF AL-TARIQ AL-JADID EMPLOYEE--Last week the State Security Administration [SSA] summoned and then interrogated Comrade Lutfi Ben Amor, an administrative employee of AL-TARIQ AL-JADID newspaper. It then summoned him on Tuesday, 3 December, and demanded that he come a third time on Wednesday, 4 December, when it proceeded to take the comrade's picture along with a slate with the number 55640 (4-12-85) written on it. In spite of the feeble and imaginary allegations that the SSA has contrived, what upsets it is that it is not able [to force] the comrade not to work in the administration of AL-TARIQ AL-JADID. Consequently, it permits itself the use of all illegal methods to provoke and intimidate. We are notifying the humanitarian and professional organizations and public opinion of [such] abuses. We detest these intimidating practices and demand that these methods, which will only serve to commit the Communists to the principles for which they fight, be stopped. [Text] [Tunis AL-TARIQ AL-JADID in Arabic 7 Dec 85 p 4] /7358

'SECRET ORGANIZATION' ENDS HUNGER STRIKE--Members of what is called the "secret organization," prisoners at the Marnak prison camp, ended a two-day hunger strike that they launched to demand an improvement in their conditions and entitlements to minimal humanitarian treatment, including transfer to a less restricted cell, provision with magazines and newspapers, extended recreational time, and abolishment of restrictions during their families' visits. The deterioration in the prisoners' health compelled them to put an end to the strike last Wednesday when the prison administration did not respond to the first demand. They sent an appeal to the Human Rights League to help them alleviate their prison conditions. It is well known that two of the hunger strikers, Hamadi Ban Yahia and Amor al-Majri, are still accountable for four yeas in jail while the remaining two, Kasim al-Jani and Jalal al-Karmasi, still have another year in jail. How long will these young men's lives be wasted in jail? [Text] [Tunis AL-TARIQ AL-JADID in Arabic 7 Dec 85 p 4] /7358

600 MILLION DINARS FOR BORDER--Since the Gafsa incidents, the state has spent close to 600 million dinars for protection of our country's borders from all external dangers. [Text] [Tunis AL-ANWAR AL-TUNISIYAH in Arabic 24 Nov 85 p 2] /7358

CONTINENTAL SHELF DISPUTE--On 10 December, the International Court of Justice in the Hague decided to accept a Tunisian request related to the manner of interpretation of the decision issued by the court on 24 February 1982 concerning the division of the region of the continental shelf in the Gulf of Gabes between Tunisia and Libya. It is well known that the court's decision was closer to the Libyan viewpoint and that the two countries had failed to agree on the delineation of the borders between them in this region which is rich in oil resources. This matter had prompted them to request a ruling by the International Court. [Text] [London AL-HAWADITH in Arabic 20 Dec 85 p 2] /12232

STATISTICS ON EXPELLED WORKERS—According to the statistics of the Directorate General of National Security, the number of Tunisians expelled from Libya from the noon of 7 December to the noon of 14 December totaled 33 individuals. Thus, a total of 31,588 Tunisian workers have been expelled from Libya since the beginning of the Libyan authorities' implementation of the expulsion process.

[Text] [Tunis AL-SABAH in Arabic 15 Dec 85 p 6] /12232

CSO: 4504/124

ISRAEL

## ARAB AFFAIRS ADVISOR INTERVIEWED

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 28 Sep 85 pp 31-33

[Interview with Yosi Ginat, adviser to Minister Ezer Weizmann: "Arabs Inside [Israel] Want Palestinian State on West Bank and in [Gaza] Strip; One Must Separate Identity and Solidarity"; time and place not given]

[Text] [Question] When you drew up a list of priorities, where was the problem of the Arabs of Israel?

[Answer] There is the problem of the three links--economic, social, and political--of the same chain, and the thread that joins these links is the industrialization of the Arab sector. Just as is in the case of the Jewish sector, the problems of the villages, even of those that do not lack land, will not all be solved by agriculture. The state must move toward industrialization, and the Arabs of Israel have to follow the same course.

In my opinion, the Arabs of Israel have taken some steps forward in the economic field. This can be seen not only in their work in restaurants and gas stations and their obvious degree of progress in construction but also in industry. There are Arab engineers, though not all of them are working in their profession. I know their problems.

## [Question] Security problems?

[Answer] Some of the problems have to do with security. To our great sorrow, we are still in a situation of no peace with the Arab states. We have to invest a great deal in security or in security-related matters. It is easy for me to say what many have said: there will be peace, and the problems will be solved. But the Arabs of Israel are not at fault for the nonexistence of peace. We must do everything to incorporate them into the social and economic affairs of the state of Israel. These are problems that I know, for I know the field that lies ahead of me. Even in the days when I held no official position, I was in close contact with the field, and I know the problems well. An Arab engineer said to me: "I went to a project having no security purpose, yet I was not accepted for work. I am working as a teacher, but I do not want to be a teacher. Being a teacher makes me unhappy. How, then, do you expect me to teach the younger generation?" He spoke with me in complete frankness.

Over the years, some Arabs have been able to amass capital through their efforts and initiative. They are ready to invest it. So if one were to set up an enterprise in which there are Arab entrepreneurs—Rabinovitz and Aghbariya, for example, or Mizrahi and Mahajinah, or just Bulus or 'Abd-al-Hayy, in the way that the Druze have with the Qadmani factory.... This is a project that belongs to people who built themselves up with their own hands. They did not weep over their fathers. If a project is established in the villages (not necessarily in every village; it could be within a framework encompassing several villages) the managers of it could be Arabs, the workers Arabs, the engineers Arabs, and it could absorb career women. The situation today is that married women can work in a career. They work in teaching because they will not leave the village. If the factory were located in the village, their problem would be solved.

[Question] You have spoken about the economic and social aspects. What about the political link?

[Answer] To anticipate, I would say that one must not separate the political link from the other three interrelated links. It cannot be isolated. There is a fusion of two links: economic and political. I am more and more convinced, day by day and with each event, that the problem for Arabs in Israel is not Palestinian identity but rather Palestinian solidarity. Something else I have felt: I could not sleep soundly at night even if the Israeli Arab were not in solidarity with his Palestinian brother. When the demonstrations in solidarity with Bassam al-Shak'ah took place and people were waving the banner of Bassam al-Shak'ah and shouting Palestinian slogans, I followed one of the demonstrations and gathered a number of demonstrators. I asked them what the problem was. They replied that there are problems in the entire region. I asked them what problems are in the region. One of them said: "They have confiscated my lands." Another said: "I am a student at the university, and I do not know whether I shall find an academic job after I graduate." They marched behind the banner of Bassam al-Shak'ah and maintained that there are problems in the region, but when they get down to their real problems and the bottom of the issues, their problem is not Palestinian; it is that they are Arabs in Israel.

A month ago, I took part in a debate with Tawfiq Ziyad from the Front. Shemuel Toledano was also present. I tried to bring up the Palestinian subject, but they did not allow me! Some individuals from the audience said to me: "The 'organizations' represent the Arabs of Palestine. We want a state for them, but we are side by side with the state of Israel. They do not own us. Our central problems are equality, housing, schools, and so forth." They wanted to talk about the problems of the Arabs of Israel, problems within the state of Israel. Of course, there are groups that say publicly that there is only one place in which to establish a state between the desert and the sea, groups that criticize Yasir 'Arafat for being ready to accept Judaea and Samaria, groups such as Abna' al-Balad [Sons of the Country] and religious extremist groups, and these did not vote in the Knesset elections. Nevertheless, the majority of the masses voted in the Knesset elections. This means that they want to be incorporated into the state of Israel. When industrial projects are established on the model I have mentioned and the Arabs of Israel

see that they are progressing in the economic sphere, the three links will come together. Industrialization will be the connecting thread.

[Question] Do you support the preponderance of the "Arab" economy over the general Israeli economy as tantamount to an independent economy?

[Answer] Why an independent economy? It is within the general Israeli sphere! Enterprises that direct their products into exportation, why don't they obtain direction from government agencies? Why don't Gad Ya'qubi and others have something to do with this area? There are excellent people there, and they are ready to be engaged toward this end.

We are going to hold a meeting of the Ministry of Economy, the Ministry of Industry and Commerce, and the Histadrut, which is working in the name of Heurat Ovdim. I have a list of people who I think ought to participate in the meeting. We will bring private entrepreneurs into the framework. I do not speak about ascendancy or separateness. I want the Arabs to be involved in the Israeli economy and society. This must not lead to a situation in which one will lose his identity or in which there will be a great degree of ascendancy and separateness.

[Question] Do you see as negative the phenomenon of the great stream of Arab workers who pour into Israeli cities every day in search of a living?

[Answer] It is not a positive phenomenon. If they were ready to move into housing in the city, I would not see it as something to be rejected. However, the workers have economic and social reasons for continuing to live in the villages. Also, we have to remember that the Israeli economy needs Arab labor to such an extent that I do not contemplate doing away with this phenomenon. You must remember, moreover, that industrialization of the Arab village will not absorb all the workforce.

Although the phenomenon cannot be eliminated, it can be reduced markedly. The Arab should be given work in his normal environment, instead of our forcing him to travel to the Jewish city every day.

[Question] Would this make the Arab villages cities?

[Answer] Correct. What harm is there in that?

[Question] Without doubt there is harm in it: we are talking about a real revolution. To what extent is this realistic? Or is it a vision having to do with "the end of days"?

[Answer] I am not occupied with a vision of "the end of days." Vision, however, is needed in order to achieve tangible and real results. For more than a month and a half, I have been preoccupied with organizing this meeting. It will be an exemplary meeting, not just an ordinary one. It will be well prepared to discuss this subject. We have to prepare all details of the assignment—the ABC's. The government has to give them loans. It is on the doorstep already. It is not something for "the end of days."

[Question] Is there a budget for this purpose?

[Answer] When we arrive at practical matters, the Ministry of Industry and Commerce will also help the Arab sector. Another important thing: set up a Committee of General Managers for the Arabs of Israel, under the leadership of Abrasha Tamir, general director of the Office of the Prime Minister. It was set up on the initiative and inspiration of Ezer Weizmann. What is its importance? It was not established to leave out any government ministry or to replace the Interior Ministry; the ministry has its powers and responsibilities. Nor was it set up to be in place of the Ministry of Industry and Commerce or any other ministry. You know that bureaucracy exists everywhere in the world. A committee like this can cut through the bureaucracy. To give you an example, in Lod there is a quarter that has grown up illegally. Most of its inhabitants are Bedouins from the Negev, and it is called "al-Sikka Quarter." It is not noteworthy for its beauty, and there are spots in it one cannot pass without smelling noxious odors. Those responsible for the noxious odors are the persons who built the quarter. The government is not responsible; however, the government cannot allow the quarter to continue in the state in which it was built. What is to be done? We decided to develop the quarter and build housing in it. So you need the cooperation of various ministries. There are agricultural lands whose designation must be changed to municipal lands. One is talking about the responsibility of two ministries: Interior and Agriculture, as well as the Israel Lands Administration. We set up a committee within the framework of the Committee of General Managers. The Israel Lands Administration prepared a study, and the Housing Ministry took responsibility. Although it would have been possible to do this without the committee, it would have taken 2 years -- not because of bad intentions, but because such is the nature of bureaucracy. When an office receives directives from above, things happen differently from when they begin from the bottom. There is a Bedouin proverb: The heart of the government is gold, but its limbs are fire.

The proverb means: Come, let us go to the "gold," not to the "fire." That is to say, let us begin at the heart. So the Committee of General Managers will follow the course of industrialization closely.

[Question] There is now a debate in Israel on the question of the development territories or settlements. How can the industrialization of the Arab village come into the picture when the outcry will certainly be heard that this is at the expense of the development territories or at the expense of the settlements?

[Answer] We have thought about that. I do not believe that it has to be at the expense of anything. The development territories have to develop. They have to obtain resources. The Arab populace has to develop, and it has to obtain resources. I look at Israel from a comprehensive point of view. Qiryat Shemonah and the development territories in the Negev and Galilee must be developed, but the Arab populace must not be neglected. Beware of thinking that one thing has to be done at the expense of another. Sometimes a thing takes place along with another thing, not at its expense. We shall proceed step by step.

[Question] The commerce and industry minister, you know who he is....

[Answer] (Feigning ignorance) The resources are large. We will make every effort. We have a conviction, Minister Weizmann, General Director Tamir, and myself, we share a belief about the nature of the nationalism of the Arabs of Israel. We can learn the slogan of the problems. We do not want to do away with their Arab identity. Rather, a situation will be created in which they feel better in the state of Israel. They point to the areas in which equality is lacking. The essence of the policy began with the abolition of the Office of Advisor for Arab Affairs. Our ministry is a ministry that coordinates among the various government ministries, not only concerning the occupied territories but also in matter involving the Arabs of Israel. Minister Ezer Weizmann has said: "I do not need Yosi Ginat or anybody else as advisers. I want the Arabs to be my advisers." We are going in that direction. There is a High Commission on Bedouins that operated for a number of years under the chairmanship of the director of the Office of the Agriculture Ministry. Me'ir Ben Me'ir--eight people, with Minister Sharon. It is this [commission] that managed the implementation of the Kasayifah and 'Ara'er [projects], on the one hand, and the airport that was established in the area of Wadi al-Milh. It did not, however, deal with the affairs of other territories. We have begun once again to deal with such matters under the leadership of the committee that I head, and we are renewing the activity in Bedouin affairs.

[Question] What have you really done?

[Answer] I am going down to the Negev and will gather a consultative committee from among them. I am not going to approve everything they suggest, but the government will do nothing without consulting with them. Whoever has something to suggest will be a de facto partner.

To give you an example from what happened in Fire Zone 9 of Galilee. Minister Weizmann called a meeting of various elements in the Defense Ministry, the Agriculture Ministry, the Israel Lands Administration, together with the heads of the local councils in 'Arrabah, Sakhnin, and Dayr Hanna and told them: "The army has come back from Lebanon and has to hold exercises." Thus he began, and it was a cruel beginning.

He said: "Let us hear you." He allowed them to participate in the discussion. "There is a training ground," he said, "that has been there since the days of the mandate. However, we want the Arabs to be able to go to work and farm that land without permits." That is what we have in mind: that the people should be involved in the affairs that are relevant to them and that they should not be remote from decisions in matters of concern to them. The consultative committee in the Negev will be a regional committee, and area committees will be established.

[Question] When you said that the nationalism of the Arabs in Israel means solidarity, not similarity, to the Palestinians, what did you mean? Are the Arabs of Israel not Palestinians?

[Answer] I meant that the Israeli Arab perceives and feels that there are Palestinians in Judaea, Samaria, and Gaza and that he wants their problems solved.

[Question] Isn't it their problem? Aren't they part of the problem?

[Answer] If a Palestinian state were established in this or that place, he would not move to that state to live in it. Many Arabs have said to me: would like to represent Israel under an Israeli flag in a Palestinian state." They wish the Palestinian well. There is a point people have not grasped, even 18 years after the 6-day War: there are no effective relations between the Arabs of Israel and those of the occupied territories. Between the communists there are relations; it is characteristic for communists in every place to be linked politically. I experienced this lack of relations in a village on the Green Line. Certain events took place in connection with a marriage. The Arabs of the West Bank desired the marriage so that the Arabs of Israel might bring them closer to the Israeli apparatus. Nowadays, when Israeli Arabs go to the movies in Tulkarm or Nabulus, they go in a group and are pointed out as being Israeli Arabs. The problem of the Arabs of Israel is more complex than that of the Arabs of the West Bank. Take Barta'ah, for example, a village that was forcibly divided, to extremes. There is no relation between individuals on the two sides of Barta'ah. The Israeli Arab has passed through a social process with many Israelis. I have asked owners of businesses in which Israeli Arabs are employed, and I was told: "There are differences between them." They see something of the Israeli in the Israeli Arabs, in spite of the fact that one of the latter will say: "I am a Palestinian Arab." However, what does his being Palestinian mean to him? When you get to the bottom of the problems that trouble them, you find that these problems are because they are Israelis, not the Palestinian problem. The Palestinian problem is not their first problem in the way that it is the problem of someone who lives on the east side of the Green Line. There you have the problem of Barta'ah. No close relationship has been created between the two parts of the village. Someone is impeding the crossing of the Green Line in either direction.

[Question] Do you believe that the situation of the Israeli Arab is more complex?

[Answer] The Arab on the West Bank feels that his link to Israel is temporary. He works in Israel, but he lives his life inside his land. The bridges to Jordan are open to him. He has a safety valve in his ability to cross the bridges. As for the Israeli Arab, his situation is different. He is an Arab in a Jewish state, and he exists in an Arab expanse that unfortunately is still without peace. There is no comparison between the Israeli Arab and the other minorities in the world. This is the reason why certain social problems are sometimes given an extreme nationalist interpretation. It is this that troubles the Arabs of Israel.

[Question] The Kahane group in Israel has gone into this subject. Are you confronting them?

[Answer] We shall do as much as we can through meetings to work against this phenomenon. I would like to say that the root of the problem is that we Jews do not know the Arabs and that the Arabs do not know us. Negative attitudes therefore spring up. If we knew the Arabs more, many of the barriers would fall, in spite of all the problems.

I leave for abroad shortly, accompanied by an association we have founded. In it there are five Jews and five Arabs, with me in the role of caretaker. We shall travel to Germany to raise funds and to other countries of the world for the purpose of broadening contacts between Arabs and Jews. One meeting does not contribute much. The teachers have to meet so that they can teach the children differently. You have seen in the referendums on schools that we are moving toward a very important project. However, it needs resources. The association will not be very dependent on the state treasury. I hope that the association will raise millions of dollars. I believe we shall achieve it. The purpose is not just meetings. For example, it is important that there be a cultural and sports club for youth in the village of al-Tayyibah. I shall propose to the association that it be established. In the present economic situation of the state, the club can be established in the village. The crime rate in al-Tayyibah is very high. One of the residents of the village said to me: "I am afraid to leave my wife alone even for half an hour." Care of the youth is very important. The club can also be for Jewish-Arab meetings.

[Question] There are also the problems of the Arabs in the occupied territories who come to work in Israel--problems of housing, wages, and exploitation.

[Answer] We have to disapprove of the situation, but it is not our duty to deal with it. We are responsible for the Arabs of Israel. That is the problem with which we must deal.

[Question] The problem of property still troubles the Arabs of Israel--for example, the property of those who have left the country and the waqf [Islamic charitable trust] properties. Are you dealing with this?

[Answer] The problem of the property of those who have left has been dealt with. I have a list of waqf properties that have not been released. We shall undertake efforts with the Israel Lands Administration to have them released. We shall soon establish a committee for this purpose in Nazareth, and we shall designate plots of land for the erection of Islamic public buildings and religious edifices. The waqf budget will increase markedly. Perhaps the basic problem is the committee that appoints trustees for the waqfs.

There are complaints on this issue. We have arrived at the conclusion that the committee has to have a majority of Muslims. Yet until now, there were no Muslims on the committee that deals with these subjects. There are to be seven members, four of them Muslims--religious judges and personalities.

[Question] How do you define the problem of the Arabs of Israel?

[Answer] In terms of identity, I see it as independent of the Palestinian problem. The Arabs of Israel harbor solidarity with the Palestinian issue and want it resolved; yet, if a Palestinian state were estalished, they would not move to it. The Arabs of Israel will be in the state of Israel, and the Palestinians will be in the Palestinian state (if it is established). Reality has demonstrated that there is a gulf--perhaps not a gulf, but rather a lack of contact--between the Arabs of Israel and those of the occupied territories. The problem of the Arabs in Israel is separate. A local nationalism is developing in Israel.

In the past, the organizations of the PLO directed the Arabs of Israel not to vote in elections. Nevertheless, they voted and said: "This is our problem, not theirs. They represent the people outside of Israel."

As I know, there were many hints and signals that they should vote for the Front and not for the Block. What happened? Those who do not want Israel did not vote. But the Arabs of Israel, in spite of that, voted for a Jew who is a Zionist, a general in the army and in the 6-day War, Mati Peled, who in the past was a military governor. The Arabs of Israel have an independent apparatus. I do not see it as a simple question.

12937/12947 CSO: 4404/116

ISRAEL.

#### TANK SIMULATOR FOR IDF DESCRIBED

Tel Aviv BAMAHANE in Hebrew 6 Nov 85 pp 19-21

[Text] First feelers for the purchase of a tank simulator were made in Great Britain as early as 1978. Amnon Reshef, the then Tank Commander, was among those who made the decision in favor of the acquisition. The reason for the delay in delivery was the acceptance tests that were performed, as a result of which the British were requested to make some changes before delivery.

In July 1985 the simulator was officially introduced in the Tank Corps, accompanied by criticism of wasting millions in a time of cutbacks. The criticism was more than just cruel. It is a bit strange to thus dispute a decision which was made several years ago. Even long range vision would not have made it possible to foresee Israel's current economic problems. In any event, those who use the simulator maintain that it is anything but the "white elephant" that its opponents have dubbed it.

The simulator is intended to train soldiers to drive tanks. Everything is simulated. The soldier sits in a compartment which looks like the inside of a real tank. Sophisticated equipment creates the illusion of moving in a tank. To be sure, no one drives into sand deserts or rocky mountains. It all takes place in an air conditioned room.

The simulator building, unlike other buildings on the training base, gives a feeling of modernization. The standards are different, the style is American. Anyone who saw the command room in "The China Syndrome" can appreciate the feeling.

The whole thing is supervised by First Lieutenant Rami Shoham. A young, determined man, with both feet on the ground. Although he talks a lot, not one word is superfluous. He explains, in a rather military language:

"The simulator has three positions: the sand table, on which the special arm "travels," the instructor's position, which is actually the control center and the driver's compartment where the student goes through the exercises."

The sand table is actually a fiberglass structure on which a model of the simulated terrain has been poured, the three major arenas that the IDF has to

face: the valley; the Golan Heights; the Sinai and the Negev. The scale is 1:300. The sand table has the obstacles typical to each front: fences, rocks, mine fields, a narrow bridge, a mountainous area, etc. The idea is to be as authentic as possible. The trainee is bound to encounter these obstacles in the field.

The special arm, representing the tank, moves on the model. This is the part that actually simulates the tank. At the point at which the driver looks through a periscope there is a mirror, which projects the image into a camera, which, in turn, passes it to the driver in lifesize. The arm is equipped with two potentiometers which sense the slopes and the reaction of the "ground" on which the tank travels. Thus, if the arm encounters a rock, the slope is sensed by the potentiometers, they pass it on to the drivers's compartment, the unit tilts and the driver has a sensation of the terrain.

"We get all kinds of trainees. Beginners, people with more than 2 years experience, and also reservists," says Captain Moshe Holtzman, head of the school. "The trainee gives us information on his experience, such as where he has driven tanks, how much experience he has, etc. The idea is to obtain a profile of each trainee so as to set up an individual training program which will best serve him."

One of the signs of the facility is the white overalls which every trainee receives. The commander, 1st Lt Rami, says that there is a reason for that: "At first we planned on giving them fireproof overalls, in order to make the simulation as realistic as possible. These are no longer used, so we decided on white ones instead. When a trainee wears white overalls, his attitude changes. Here everything is delicate and sterile. There is a psychological element to the color white which causes the trainees to be more cautious.

"Instructions are given before the training session itself. The instructor discusses all tank driving principles according to which the exercise is to be performed. There is also a pre-evaluation so that advanced training is not given to someone who does not even know where the gear shift is. The session itself is video taped. At its conclusion the instructor and the trainee return to the training room and go over the exercise. This way the student cannot argue: "Yes, I changed to reverse," or "I did make that right turn." We are working on principles. Everything is very well organized. The trainee receives the feedback so he knows exactly where he is. We collect data on all trainees for tracking purposes. Also for our own statistics.

"This series of training sessions has already changed in content. At first we did not pay much attention to the systems at the driver's seat. We started with the obstacle course. We noticed that soldiers did not know the basics about tanks. We are now stressing operating these systems and traveling in low and high gear.

"Training is done in two levels. Level A is intended for beginners. Level B is more difficult. We planned more obstacles and more difficult driving conditions. We had tank drivers with field experience who trained for 3 days. Toward the end we had an attrition exercise. They crossed rivers and climbed river beds. One and a half hours of training, just like a field exercise.

One soldier, a veteran of 2 years told me: "I found that it helped me. It did a lot for me. It was like an exercise in the field."

"Today we are working on narrow passages to train drivers for mountainous terrain. There are 90 degree, 45 degree and 135 degree turns. The driver learns the principles of traveling in this kind of terrain. When he encounters such an area in real life he can tell himself: "Oh, I know this area. This is how it should be handled."

Adds Holtzman: "The obstacles were built in an authentic fashion comparable to what we encounter in the field. For example: You saw the low hills and the mountain slope. It is important to train combat soldiers in all kinds of terrain. Another advantage of the simulator is the ability to construct a model on the table and to train on it. There is no doubt that building a model at a 1:300 scale is much cheaper than finding some abandoned village to train in."

Rami brings up the example from Lebanon: "I was a platoon commander in Lebanon. There was a problem. The terrain was very difficult and we had to guide the driver. Had we had the simulator before that, the drivers could have trained on areas typical to Lebanon. The driver would have known the area, more or less, and this would have made it easier for the other crew members to observe the area, rather than guide the driver."

While training in the simulator the driver can also drive with different lighting conditions: full daylight, sunset, complete darkness, driving according to an officer's command or driving with the aid of a night vision system.

"The way you talk about it, a tank driver is like a pilot," the reporter told Holtzman.

The latter answered: "It is not at all simple to drive a tank. It took me a long time to become a good tank driver. The field of vision is very narrow and in order to acquire skill, one must drive a lot. In recent years there have been repeated cuts in field training. The simulator is supposed to make up the cutbacks."

The First Blow

[Question] To what extent is the driver's compartment in the simulator realistic?

[Answer] The driver's compartment consists of all parts that are in a real tank. It is totally authentic in appearane. The soldier who is inside feels as if he is in his natural surrounding. From the minute he puts on his helmet with its communication equipment, he feels as if he is in a real tank. Through the periscope he can see the terrain. When he turns on the motor he hears the sound of a tank, the sound of the engine and the sound of the tank's movement. Each of his actions induces the feedback of a real tank. When, for example, he exceeds the allowed slope, he is penalized: 15 seconds of turning

over. He receives his first blow. The image makes a complete turn, giving him the sensation of rolling over.

[Question] Actually the instructor's position is the heart of the system.

[Answer] "The instructor's position is the check point. It has two important functions: one, to receive feedback from the driver's actions; the other, to enter data which will change field conditions for the driver, create obstacles, all of which can be created with pressing the appropriate keys. It is possible to create an obstacle in the form of a tank which tends to drag to the right, an obstacle which does not exist on the model. If the instructor wants to play a little, he introduces a problem of failing brakes. The driver is then under pressure, and what he preceives is a downward motion without being able to stop. When he is asked, 'What is to be done?' and he answers timidly 'I don't know,' the instructor tells him to use the emergency brake. In other words, depress the gas pedal all the way and switch to reverse, in order to brake.

"There is a computer program which includes all the maneuvers of a tank. The instructor can control the driver's actions. All gauges which are in the driver's compartment are also present at the instructor's station. The instructor can introduce all kinds of visibility conditions and ground types. He can even take over if the driver is too afraid to perform a certain action.

"We set certain standards for each maneuver. If the soldier meets these standards, he receives the highest grade. In case he does not, he is downgraded accordingly. Each trainee receives a computer generated report which explains where he failed. For example: You passed the channel at a reasonably safe angle, but in a wrong gear. In any event, the instructor can override the computer evaluation if he thinks there is good reason for it. After all, a computer is a computer and there are things it is not programmed to measure. For example, did the trainee react quickly? Did he roll over several times during the ascent? How did he behave in the field? Did he listen to the instructor? The instructor has the last word."

#### A Substitute to the Tank

When 1st Lt Rami Shoham talks about the instructors he is full of superlatives. "They were selected from tank units with various specialties. Before they arrived here they were instructors in the field. We worked in cooperation with psychologists of the Field Command in order to locate the best instructors. This system requires a high degree of concentration, psychomotor skills, teaching skills, a combination of a lot of things in one person. Therefore, over and above pinpointing high potential, looking for previous grades, leadership and control, instructors were also given a test for divided attention, similar to the test taken by candidates for flight school. It was important to us that the instructor can divide his time and attention.

"The female instructors are the best of their class. They have received extra training and more driving experience in the field. They have studied all that is related to the engine and to the relay system. In addition the instuctors

have to take refresher courses. An instructor has to know the answer to every question that a trainee may pose."

The facility's commander is aware of the hostile atmosphere surrounding the simulator. He explains the reasons: "The British did not attain the standards expected by the IDF. As a result there was a delay in the equipment's arrival. What happened then was the story of "Wolf! Wolf!" The system was supposed to arrive, everyone prepared, but it did not arrive. And again, it was supposed to arrive, etc. People gave up and said: It is a white elephant. And who needs it anyway? It just cost a lot of money.

"Finally, when the system did arrive, it was received with suspicion. But this will change. It has been working for just one and a half months and there is already an improvement in its acceptance. The attitude has changed. Officers are beginning to request slots for their people. It is true that we cannot accommodate them all, but in the future we will have more simulators and most likely one for the Merkava, and then we will be able to train more soldiers."

[Question] And what do the instructors have to say?

[Answer] "Veteran drivers don't get much out of it, with the exception, perhaps, of pinpointing breakdowns. They claim that anyone with field experience has so much of it that the simulator is more like an amusement park. Novice drivers, or drivers who have not been in a tank for a long time, say they get a lot out of it. It cannot, of course, be a substitute for a real tank, but it is very effective."

First Lt Rami complains about reports in the media which claim that the simulator is only used in two countries. "This is not true. I visited the tank school in Bovington, England, I talked to the commander of the Dutch facility, we had a visitor who introduced the simulator in Italy, and I also have some written material from West Germany. These are four countries which utilize the simulator and I know of eight more that do. There are two firms which produce the simulator, a British and a French one. Data shows that wherever the simulator is used, 50 percent of engine time has been saved.

"As to the effectiveness of the simulator, I have an interesting anecdote, which I heard from the commander of the Dutch facility. In order to experiment, he took a group of soldiers, none of whom had ever seen the insides of a tank. They learned about it in the simulator. He then took them to a real field, put them in tanks and instructed them to perform an exercise. The result: they performed as if they had trained for a long time.

Not Just a Gimmick

"At Bovington, too, they are pleased with the simulator. I think that our first impression is very positive. As far as I know, there is no simulator which exceeds the standards of ours. Moreover, it is here. What remains to be done is do the best to make it a success. So much money has been invested in it, this beautiful building was constructed especially for it, we have to do our best to make it do its best. We should send trainees here, give them

all the training aids possible and keep up the facility in order to turn it into a serious training center."

[Question] You don't think that \$20 million is somewhat too high for a "pretend" tank?

[Answer] "To begin with, as far as I know, the sum is not \$20 million, only about \$10 million."

[Question] Do you think we could not manage without the simulator?

[Answer] I always tell the story that I was told. One night there was an exercise on the Golan Heights. It was a dark, cloudy, moonless night. Ten tanks took off. Only seven arrived at the post. The remaining tanks got stuck. Why? Because they were not operated properly. Today you can see that even 2 year veterans do not notice problems and make a lot of mistakes. One can manage. The only question is: What standards do we want to achieve?

[Question] Is the simulator just a gimmick for the Tank Corps?

[Answer] The real value of the simulator can only be assessed in a few years. We think it is effective. Available data leads us to believe that the simulator will justify the expense and will not turn out to be a white elephant.

[Question] Does the simulator symbolize the modernization and computerization of warfare in the Tank Corps?

[Holtzman] "It is part of the modernization and new technologies which have been introduced at the Corps."

Adds Rami: "Tank drivers were always looked down upon. They used to be black with grease after servicing their tanks. All of a sudden they are brought here, given white overalls and they are not treated as if they were lowly workers."

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ISRAEL

CONSTRUCTION, HOUSING STARTS ANALYZED

Tel Aviv MA'ARIV in Hebrew 1 Oct 85 Business Supplement p 8

[Article by Yitzhaq Dish: "A Balanced Housing Sector"]

[Text] There has been a real drop in housing prices for a long period of time, and this tendency will apparently continue this year. However, Asher Wiener, director general of the Construction and Housing Ministry, who is about to leave his post, warned in a discussion with BUSINESS: "In order to ensure price stability and balance between demand and offer, construction must begin each year on 20,000-21,000 apartments. If this figure should drop this year, then a difficult situation will emerge even by next year, and prices will begin to rise.

In the second quarter of this year there were fewer construction starts than is desirable, and that should be taken as a 'warning signal."

Asher Wiener is completing a 7 year term as director general of the Ministry of Construction and Housing. During this period he acted as both a promoter of construction and population spread, but also as a restraining factor, in order to ensure stability at the desired level. He can look back with satisfaction: At the beginning of the period, in 1979, housing prices had been soaring. Young couples and others were demonstrating against the housing shortage and burning tires in order to attract attention. The system of aid in the form of non-connected loans did not permit those entitled to acquire apartments, while putting a heavy burden on the state, because the value of the loans was being progressively eroded.

Pushing Construction and Holding Prices Down

"We have achieved a reasonable balance between demand and supply," says Asher Wiener. "The branch is generally stable, except, of course, for problems created by the economic policy and salary erosion. At the same time, we have altered the map of the country by rapidly building and populating all the areas of the country, including Judaea and Samaria, the Golan, and the Jordan Valley, and by unprecedented construction in Jerusalem and its suburbs. Seven major urban centers have been established: Efrat, Ma'ale Adumim, Giv'at Ze'ev, Immanu'el, Qarne Shomron, Ari'el, and Alfe Migsha."

[Question] The entire economy is marked by recession. Is an additional slowdown expected in the construction branch?

[Asher Wiener] In the construction branch we endeavored to work in cuts and adjustments gradually. In 1975 the branch was found to be larger than the market requirements, so we took measures to reduc it gradually. It was clear to us that unless it was reduced, prices would fall all at once, creating a heavy shock. The figures speak for themselves.

[Question] Are you satisfied with the development of the branch this year?

[Answer] Definitely not. In 1985 and even before that, in 1984, there were rapid, undesirable activity decreases in the branch, brought about by two major factors:

--Budget cuts were effected with greater ease in this sector, because they were perceived as a clean cut project cancellation that did not involve layoffs and cuts in public service.

--In 1985 there was a drop in general demand in the economy, caused by reduced income and uncertainty. This drop affected the building sector, too, regarding both industrial construction and housing purchase.

[Question] In the 1966-67 recession, the building sector led the entire economy. What is the situation now?

[Answer] Currently, too, construction plays a very important role, but the economy has been developing in additional directions and thus the building sector has a lower weight. Nevertheless, the drop in construction has a very considerable effect on general economic activities.

[Question] The data you presented show that, while the sector was gradually reduced over the years, the number of people employed in it did not go down accordingly.

[Answer] Indeed, that is correct. We are definitely worried about this situation, which is probably due to a drop in productivity in this branch and to the fact that certain variables were not taken into calculation, such as housing improvements. There is seemingly covert unemployment in the sector, and workers and equipment are not fully utilized.

[Question] What is currently the price tendency, and what can we expect in the coming years?

[Answer] In recent years there has been a real drop in housing prices, and this is expected to continue this year. But there is a danger: If building slows down below the level of 20,000-21,000 apartments this year, there will be an undesirable development in prices, which we fear may increase. Such a situation is undesirable for the economy because housing makes up about 20 percent of the consumer price index, and any price increase in the housing sector seriously affects the entire index. Therefore, everything possible must be done to preserve the balance between demand and supply.

As for the long term--there the situation is different. The Ministry of Construction and Housing commissioned a forecast study of housing demand and requirements. The study, which was carried out by the Cambridge Systematics company, showed that in the 1985-90 period an additional 145,000 households are expected to appear in Israel as a result of immigration and natural growth. Consequently, as of 1987 we must gradually increase construction starts each year. Simultaneously, a real but low increase in housing prices is expected to occur as of 1988.

Low Income Level

[Question] Currently, purchasing an apartment scares every young counple. Why is the situation in our country different from others?

[Answer] The main reason is that the income level in Israel, in terms of dollars, is about 1/3 of that in the United States, while housing prices are relatively similar. This is the root of the problem. We are considering lowering building costs by improving and simplifying the process of statutory permits, amending planning laws in order to permit standard lowering, and, if possible, through technological improvements.

[Question] Would rental building provide a solution?

[Answer] We have taken many steps to facilitate the construction of rental housing. But in view of building and investment costs, we were not able to arrive at rents that would make this system attractive.

[Question] Does the system of aid to those entitled meet the requirements?

[Answer] The existing aid system has yielded good results, but this system was not built on the level of inflation of the past years. We are following developments and do have some possible solutions.

[Question] Should housing prices be frozen under decree?

[Answer] We have found that it is difficult to supervise price freezing efficiently, because housing classifications cannot be precisely defined.

[Question] And finally, you are now leaving your post after 7 years as director general. What do you consider the main achievement of this period?

[Answer] From the viewpoint of current activities, the most important achievement was the stabilization of the system—the preservation of a balance between demand and supply. The system is indeed stable, and prices have even dropped. However, the greatest satisfaction is the enormous volume of building carried out during this period, especially in greater Jerusalem.

Developmen	ts in th	e Buildi	ng Sector	r in the	1975-84	Period
D 1111	1975	1980	1981	1982	1983	1984
Building starts in thousand sq. meters	6,296	4,930	5,780	4,730	4,820	4,210
Building startsapartments	51,620	32,690	37,400	28,520	26,050	21,980
Building investment (million shekels						
in 1980 prices)	18,633	14,519	14,498	14,125	13,633	12,300
Workers employed in the branch						
in thousands	126.3	114.8	117.2	121.7	130.5	122.8
Israelis	90.2	79.2	78.5	79.9	86.2	79.1
From Judaea, Samaria,						
and Gaza Strip	36.1	35.6	38.7	41.8	44.3	43.7

CSO: 4423/56

**JORDAN** 

#### DRAFT BUDGET PRESENTED TO PARLIAMENT

Budget Details Revealed

Amman THE JERUSALEM STAR in English 5 Dec 85 p 11

[Article by Ahmad Shaker]

[Text] Total expenditure for public ministries and corporations for the new fiscal year of 1986 is expected to be around JD 1423 million. This includes the public budget which has been set at JD 923.7 million, an increase of JD 112 million from last year, and JD 500 million for public corporations.

The budget deficit is expected to be around JD 37.6 million. Local income is set at JD 498 million of which JD 61 million will be generated from income and profit taxes, JD 46.5 million from postal and telephone services, JD 39 million from licencing, JD 53.5 million from general fees, JD 4.1 from interests and profits and JD 37 million from other sources of incomes.

Arab aid to Jordan, according to the Baghdad Arab summit resolutions, is expected to be JD 183 million, JD 20 million from additional Arab aid and JD 50 million from the American government, the latter is the first such aid to Jordan for a long time.

Payable loans are estimated to reach JD 37 million, and Arab and foreign economic and technical loans are set at JD 98 million.

According to the new budget law the Ministry of Defence will receive JD 200 million, Public Security JD 35 million, Civil Defence JD 3.2 million, JD 4 million for refugee asisstance, JD 4 million for consumer goods, JD 7 million as subsidies for the agricultural sector and JD 5 million as subsidies for energy expenditures.

## Hopeful Signs of Growth

# Dubayy KHALEEJ TIMES in English 10 Dec 85 p 4

[Text]

THE year is ending, and the draft budget presented to the Jordanian parliament this week by Minister of Finance Hanna Odeh reflects the planners' optimism about the outlook for the coming year.

The budget shows an overall rise of 12.8 per cent on last year's figure and expectations of a 14.6 per cent rise in local revenue.

While presenting the budget, Mr Hanna Odeh acknowledged that the global recession was continuing but he said that he saw hopeful signs that things were improving. He cited the drop in interest rates and the increase in industrial production in the developed countries as positive signs.

On the national scene, he pointed out that Jordan had to cope with a daunting array of difficulties that included not only the world recession but also the country's position as a front-line state and its own meagre national resources. Despite all this, he said, the Jordanian economy was managing quite well.

Preliminary figures show a growth in GNP for 1985 of five per cent and a 10 per cent growth in exports while imports maintained their 1984 level. The government has also managed to reduce its expenses and boost internal revenue during 1985.

Mr Hanna Odeh himself says that the budget is essentially an extension of this year's policies in all sectors. Agriculture, industry, water and irrigation, energy, construction, tourism, transport and services all get their share in much the usual proportions.

Farmers who were fortunate enough to repay loans to the Agricultural Credit Corporation this year will enjoy a small windfall as they are to be exempted from the interest due for 1985. A sum of one million dinars has been allocated for boosting the tourism industry. Studies will

be done for the construction of dams throughout the country; the energysaving campaign for big industry will get under way; and the transport authorities will go on with their increasingly successful promotion of Jordan as a transit centre. One important move in this direction is the strengthening of the Iraq-Jordan-Egyptian link.

However, despite the feeling of continuity, there is also a new message coming through quite clearly. The message says that it is time for Jordanians to stop seeing themselves as a country whose economy must always depend on outside support.

For several years now, Arab aid and remittances from Jordanians working abroad have compensated for the imbalance caused by the country's heavy dependence on imported food, raw materials and manufactured goods and its low level of exports. But Arab aid is not steady and, although remittances have remained fairly stable, the government cannot afford to depend on them in view of the fact that the Gulf states continue to cut back on their foreign work forces.

The only choice for Jordanians is to make an effort to develop an economy which can survive on its own resources, however limited they may seem.

This means that agricultural and industrial production must rise, exports must be promoted and the potential of the transport, tourism and other service sectors of the economy must be exploited more thoroughly. Less appealing perhaps for the average Jordanian, it also is obvious that government revenue collection procedures must be tightened up.

To put it simply, Mr Hanna Odeh has just told the nation that if you want a budget that balances and an independent economy, it is up to you to produce more and pay your taxes.

/9317

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KUWATT

### DEPUTY AL-NUFAYSI DISCUSSES ISLAMIC CURRENT'S ROLE

Kuwait AL-MUJTAMA' in Arabic 29 Oct 85 pp 14-17

[Interview with Dr 'Abdallah al-Nufaysi, Islamic opposition leader: "Dr al-Nufaysi Says: We Oppose As Long As Our Legislation Does Not Emanate from Koran and Sunna"]

[Text] With the start of the second session of the Sixth National Assembly, AL-MUJTAMA' presents this interview with Dr 'Abdallah al-Nafisi, the Islamic opposition leader, and reviews with him the Assembly's accomplishments in the first session and the preparations for the forthcoming sessions. It is an enjoyable and interesting interview we are offering our readers, and God is the giver of success.

[Question] Dr 'Abdallah, who belongs to the Islamic bloc in the National Assembly?

[Answer] Talk about the Islamic bloc in the Assembly must be precise. The Muslim fundamentalists in this country are new to political action and action in the National Assembly is an essential part of political action in Kuwait. Therefore, I cannot say that there is an Islamic bloc at the level of political action. But such a bloc does exist at the level of Islamic action. The Muslim fundamentalists in Kuwait need not a short period of political experience. We can then say that there is an Islamic political bloc in the Assembly. To achieve this, the political structure of the Islamic groups outside the Assembly must be reorganized and a program of political enlightenment must be formulated. I have great hope that this will be accomplished.

[Question] Do you mean that there is no Islamic bloc in the Assembly at present?

[Answer] There are Muslim individuals committed to the Koran and the Sunna in their capacity as legal guides who can define the position. These individuals form an Islamic grouping. I believe that through political action and movement, this grouping will become with time an influential political bloc. This analysis of the position of the Islamic grouping in the Assembly does not at all mean that there are other united political blocs that are more influential than the Islamic grouping.

[Question] It is said that you will lead the Islamic opposition in the Assembly. How true is this and what does the Islamic opposition seek to achieve through the Assembly?

[Answer] This statement honors me with something for which I may not be qualified. It honors me to head the open Islamic political opposition in the Assembly.

You ask: What does the Islamic opposition want?

I say: First, we must explain why we stand with the opposition and not with the loyalists. We, as Muslim fundamentalists, believe in and seek guidance from the Koran and the Sunna and from all the legislation emanating from them. Because the real situation in Kuwait, and in our political and economic life in particular, does not stem or seek guidance from the dictates and principles of the Koran and the Sunna, we stand with the opposition.

Second, as for the details of our opposition stance, we seek to achieve the following:

In the political sphere, we seek to expand the circle of consultation and of popular participation in political decision-making and we want greater public liberties within the legal framework.

On the economy, we believe that the state's funds are public funds that must be employed for the benefit of the public, not the benefit of certain groups or classes.

In social relations, we stand against all forms of discrimination among the sons of Kuwait's political community and we support the principle of equal opportunity in education, medical care, employment, and legal profit-making and the protection of human rights.

Third, we believe that we, as an Islamic bloc in the National Assembly, must strive to widen the circle of political participation by reducing the voting age from 21 to 18 years and by giving all Kuwaitis the right to vote without discrimination. On the economy, we believe that the economic crisis being experienced by the country is the result of the state's adoption of the Western capitalist model which entrenches the minority's interests at the expense of the interests of the broader masses. We stress at the same time that the Islamic Shari'a, through its economic laws, stands fully with the nation's interests and permits a disregard of individual interests if they are in conflict with the public interest. This is why we will fight all of the government's attempts to rescue some usury-oriented capitalist economic institutions, such as banks in particular, especially since the government is considering nowadays the allocation of 3 billion dinars of public monies to bolster the banks. In social relations, we believe that all the manifestations of administrative corruption emanate from the entrenchment of social, class, and group distinctions in Kuwaiti society. Administrative corruption can be tackled only by tackling and purging the social soil of the germs of distinction. This requires on our part a daring stance that shakes some of

Kuwaiti society's traditions that are essentially in conflict with the equality advocated by the Islamic Shari'a, such as the division of residential areas according to people's material incomes (model areas, middle-income areas, and limited-income areas). This division entrenches the distinctions between Kuwaiti society's groups and harbors serious political indications, not to mention that it is dangerous to this society's social fabric.

[Question] Don't you think that the Assembly has done nothing regarding al-Manakh problem and that it has abandoned tackling this problem by turning to an interrogation of the minister of justice—an interrogation which some believe is meant to drug the people insofar as al-Manakh crisis is concerned?

[Answer] I disagree with you that the Assembly sought to drug the people by interrogating the minister of justice. Interrogation of the minister was a necessary step to draw the government's attention to the fact that this Assembly is prepared to plunge into the issue of political reform to the extent of embarking on a confrontation with the government. The interrogation constituted an effective message in this regard. As for al-Manakh problem, the party responsible for it is the government, not the Assembly.

The government is the executive authority. The Assembly's task is to issue the laws needed by the country or to solve a certain problem in the country. The current National Assembly does not believe that al-Manakh problem is a legislative problem. This problem has emanated from the executive authority's failure to implement the laws issued by the National Assembly. In our discussions with the Agency for the Settlement of al-Manakh Accounts, we presented all our ideas and emphasized that all are responsible for the error in the application of the laws and for the failure to implement them.

It is obvious that we have a big problem embodied in the fact that a large number of the political authority's members try to combine government with commerce. This is prohibited by the Islamic Shari'a.

This problem is a fundamental factor in the continuation of al-Manakh crisis. I still stress that the National Assembly is not responsible for the continuation of the problem. The government is.

[Question] There is also the security problem. Many say that this Assembly's role in solving this problem has not gone beyond the previous assembly's role of absorbing the people's wrath by launching violent attacks on the government, the security agencies, and the terrorist gangs and then by discussing the problem in closed sessions. Truly, what have you done to solve the security problem?

[Answer] First, I disagree with you on this assessment. We must stress that the circumstances engulfing Kuwait are largely tied to the Iraq-Iran war and to the Arab-Israeli conflict. The ramifications of these problems in Kuwait's political society are extremely intricate and serious.

This problem was debated in two closed meetings during the previous session. To be honest, I cannot reveal what took place in the closed meetings. But

I emphatically say that it became obvious to the government and to the Assembly members through those meetings that Kuwait's political security problem is not tied to internal factors but is the result of external factors.

Second, the government has formed the Higher Security Committee, which is a subcommittee of the Council of Ministers and which is headed by the deputy prime minister. This committee has formulated an idea of Kuwait's security situation. I have become familiar with this idea and I believe that if it is implemented, it will achieve a high degree of political security. I stress that there is no state in the world that can guarantee its political security situation 100 percent. This can be done by varying degrees. Even though we have specific instruments, such as questioning, interrogation, and investigation, we have not, regrettably, employed these instruments in connection with the security problem. In the previous session, we should have formed a ractfinding committee to investigate the attempt on the life of the country's amir so that the Assembly could find through it the developments pertaining to this issue and the information coming out of it. Harsh words were said to the minister of interior in the closed meeting. Had the meeting been open, it would have been said that those words were tantamount to a questioning.

[Question] It is said that the Islamic deputies in the Assembly are unwittingly swept up by the left's propositions in and outside of the Assembly. If the left wants the minister of justice questioned, then the Islamic fundamentalists get swept up by the proposition. But if the Islamic fundamentalists want to question the minister of education, they find themselves facing numerous obstacles. Is this true?

[Answer] This statement emanates from the complex of the left's superiority in political action. It is a complex existing in the thinking of a large number of Islamic fundamentalists in Kuwait. This complex must be eliminated. The left, whether in Kuwait or abroad, is a force like any other political force. It is at times helped by circumstances to achieve a certain success at the political level and at other times it flounders like many of the other forces. At other times, it fails in many of its political steps and plans. The left was not the initiator of the idea of questioning the minister of justice. Rather, the first to move to question the minister of justice was colleague Hamad al-Jaw'an. He contacted a large number of deputies, explored their opinions, and got support from all of them in the consultation process. We were among the deputies he consulted as a group and he asked me personally to take part in the questioning. I asked him to give me time to study the issue and then I presented it to brother Mubarak al-Duwaylah so that we might involve him in the political action and so that he might assume his political role. Thanks be to God, it was a good step through which brother Mubarak gained a lot of experience in political action. The statement that questioning the minister of justice was a leftist idea is a refuted statement. As for the minister of oil, it was not the left that followed up on the issue of oil in this Assembly. I can state very clearly and frankly that I, who belong to the Islamic tendency, was the one who persisted in my questioning of the minister of oil. So far, I have presented 37 questions to the minister whereas the left has presented only 1 or 2 questions. We are more eager than the left to follow up on the oil issue because it pertains to the Islamic

nation's bread in Kuwait. We are more concerned than all the others with this nation's interests. The statement that the left is always the vanguard in such steps is refuted. This is something in ourselves with which we must deal. As for the minister of education, we disagree with him methodically in the way he tackles the educational issue. We oppose his organizational steps in the university and in the ministry and we keep an eye on his measures in the ministry, the university, and the Public Applied Education Authority. We are not satisfied with the direction of his steps. But we cannot, considering that he is a minister who has not been in the cabinet for more than a few months, summon, question, or try him within the Assembly's framework. But we will continue to be vigilant on this issue and will wait for what the contacts produce. For your information, I have, along with brothers Hammud al-Rumi and Mubarak al-Duwaylah, visited the prime minister, had a long session with him, and explained to him at the meeting our viewpoints concerning the course of affairs in the Ministry of Education. We told the prime minister that the educational issue is important to us as an Islamic tendency, that we are not pleased with what is taking place in the Ministry of Education, the university, and the Public Applied Education Authority, and that our cooperation with the government is conditional upon the government's cooperation with us on this issue. We were explicit and frank on this issue and we said that if the government does not cooperate with us on the educational issue, then we will not cooperate with it on the other issues. We have conveyed the message to the government and we are awaiting the response.

[Question] Will the coalition between the political groups in the Assembly be exposed to collapse?

[Answer] It is my opinion that the government is now very eager to fragment the Assembly's unity from within. What greatly annoyed the government during the previous session was this cohesion between the political groups in the Assembly. This is why we now find the government moving along two main axes: the first is to split the ranks within the Assembly through bargains and deals to which one of the sides involved may be lured. Should this happen, then it means that the Assembly's unity will be subjected to a major tremor and, consequently, the Assembly's political efficiency in confronting the government will be exposed to grave perils.

The second axis is the constant insinuation that the Assembly will be dissolved. Even though no official statements have been made on this issue so far, the government insists on private meetings and in the statements of some ministers at private get-togethers on constantly alluding to the issue and possibility of dissolving the Assembly. This creates some sort of apprehension in the Assembly and compels it, unwittingly, to soften its positions out of its concern for its survival and continued presence. I am opposed to this apprehension and I do not believe that the Assembly should continue to exist if it is weak and if it constitutes a bridge for the government. I believe that we must have a strong, effective, and honest Assembly, not a weak Assembly constituting for the government a bridge over which it carries all its measures and policies.

[Question] What is your opinion of the slogan of cooperation between the two authorities in the country's interest?

[Answer] When speaking of cooperation between the two authorities, we must emphasize that the government always raises this slogan without believing in it. The government is a forerunner in raising slogans in which it does not believe. It raises the slogan of cooperation while wanting laxness and there is a fundamental difference between the two aspects.

All stand with the interest of cooperation. But how is this cooperation to be achieved, what is the formula of this cooperation, and with whom is it implemented?

All the deputies expressed their opinions during the consultations the prime minister held with them. All these opinions focused on how to cooperate with the executive authority. But the executive authority has not expressed its opinion on how to cooperate with the legislative authority. Therefore, we may think that the cooperation which the government wants—cooperation whose formula it does not define—may lead to depriving the Assembly of its fundamental role.

[Question] Let us give you an example of what is called lack of cooperation. The Santa Fe issue has been referred to the public prosecutor and you are still raising questions which the government considers provocative. What is your opinion?

[Answer] My issue with oil is bigger than the Santa Fe issue with which they have preoccupied the public prosecution. My questions are not restricted to Santa Fe but concern oil conditions generally. Ninety percent of our income relies on oil. Therefore, it is necessary that we reform this sector that is tied fundamentally to the bread the people eat. So far, I have done nothing with the minister of oil other than raise questions. So why this clamor? I am surprised by the government's clamor over our questions to the minister of oil. These questions have exposed hidden aspects of the oil sector, the most important aspect being that of fighting against the employment of Kuwaitis in this sector. Do you know that there are more than 1,300 Kuwaitis whose applications for employment in one of the oil companies have been rejected and that Kuwaitis are scarce in 'Abdallah Port? Another example of this situation is that the person who represents the Arab Oil Company, namely al-Khafaji, is 62 years old, mute, deaf, and an Indian national. Isn't there a Kuwaiti in this country to replace him, keeping in mind that the position concerns the financial affairs of this company?

I will exert my utmost effort to reform the country's oil conditions.

[Question] AL-QABAS published a report to the effect that a questioning has become certain and said that there is an agreement between you, Muhammad al-Murshid, and Dr al-Khatib on this issue. How true is this?

[Answer] The report published by AL-QABAS on an agreement between me, Muhammad al-Murshid, and Dr al-Khatib to question the minister of oil is groundless.

AL-MUJTAMA': We thank Dr 'Abdallah al-Nafisi and wish him and all those working for Islam success and progress on the right path.

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KUWAIT

## SYMPOSIUM DISCUSSES GOVERNMENT, NATIONAL ASSEMBLY COOPERATION

Kuwait AL-TALI'AH in Arabic 30 Oct 85 pp 12-13

[Article: "Symposium on Tasks of Assembly's Second Session; Democracy Is Popular Gain and People's Support Blocks Path in Face of Those Seeking To Undermine It; Constitution Defines Tasks of Two Authorities and Concept of Cooperation Clearly and Frankly"]

[Text] On the eve of the inauguration of the National Assembly's second session, the symposium on the "urgent tasks of the forthcoming session" was again held to define democratic popular opinion on the questions that have been raised regarding the relationship between the two authorities and regarding the Assembly's performance of its tasks in the first session. The contributions of the participating Assembly members, namely Jasim al-Qutami, Hamad al-Jaw'an, and Dr Ahmad al-Rub'i, have come as further proof of the sound vision founded on a sound and normal position of the Assembly's adherence to our people's constitutional gains. The circles seeking a deficient and debilitated form of democracy have raised waves of dust to blur the vision insofar as the Assembly's role and its control and legislative powers are concerned. These circles have also created fabricated problems in their endeavors to intimidate the people's representatives and to prevent them from performing their roles. This symposium has truly exposed these endeavors by returning to the bases of the subject and the essence of the issue, namely sound democratic action and expansion of the base of popular participation in government.

Warning on Return to Black Years

The symposium was organized by the Engineering and Petroleum Association of Kuwait University and was held last Saturday evening. At the outset of the symposium, Deputy Jasim al-Qutami explained the nature of the circumstances preceding the convocation of the second session, saying that we are passing through a critical period. Two months ago, there were feverish contacts and a further escalation between the government and the deputies. Moreover, there were numerous rumors, conjectures, and expectations which further complicated matters between the two authorities.

The deputy gave his assessment of the current Assembly which has won the masses' admiration and came into existence with their overwhelming wish.

But the Assembly surprised the government which had been able to restrain the national movement's deputies in the previous Assembly. Therefore, the government has had to reconsider all its calculations.

The deputy said that the previous Assembly elections came swiftly and this made it possible to keep the national movement elements out of it because the government was determined to amend the constitution. Hardly a few months had passed in the presence of that Assembly when the government submitted its amendments. However, the national forces' efforts among the masses foiled the amendments and compelled the government and the deputies who supported those amendments to back down.

Al-Qutami pointed out that we are passing through a similar period which heralds danger. A short time ago, the officials told a deputy that the Assembly will be dissolved because it is a confrontational assembly and will cause a convulsion in society and that it will be suspended after the start of the forthcoming legislative session. After contacts between the ministers, deputies, and the prime minister and after exploring the people's opinions, they found that the people cling to their Assembly, that there is a conviction that the present deputies are the best deputies, and that if elections are held again, a stronger Assembly will come into existence.

Al-Qutami called for a pressure-exerting public opinion to rally behind the Assembly, the deputies, and the constitution because "we can thus achieve reform, legislation, and a strict popular control capable of correcting the error and ending it." He asserted that we will not accept a suspension of the democratic movement and a return to years similar to the black years during which we were without an Assembly or a constitution." Those were critical years during which many laws harmful to our people and resulting in all the mistakes which followed them were passed. The economic recession and al-Manakh crisis were some of the consequences of those lean years. Al-Qutami called on public opinion to be strong and to interact with the deputies, bringing them to account, watching them, and giving them the feeling that it supports them and urges them to achieve the people's aspirations. This is what will safeguard the Assembly and democratic life. If the government feels a drop in this support or in the popular backing for the deputies, it will immediately dissolve the National Assembly.

Concluding, al-Qutami said that we do not agree to have the constitution as a mere superficiality so that we may boast that Kuwait is a democratic country. Rather, we want a sound democracy under which every citizen feels that he can express his opinions aloud and can exercise his rights. He noted that the Assembly has been able to achieve the minimum required through strict control and that the Assembly's exercise of its powers has been considered a grave sin.

Bases Governing Cooperation

Deputy Hamad al-Jaw'an reviewed the people's legacy and struggle for democracy, stressing that the authorities' performance of their roles can be achieved only through the sound implementation of constitutional principles and

guarantees. He also touched on the concept of cooperation about which a lot is being said these days, pointing out that this cooperation is governed by several points:

The first basis is that this cooperation should take place in accordance with the constitutional provisions, or else it is a coup against us. Therefore, any cooperation between the executive and legislative authorities outside this constitutional formula is a coup between the two authorities.

Second, this cooperation must take place under the canopy of the principle of the separation of powers. It is well known that the Kuwaiti system separates the three powers, that each power has its role and task, and that it is impermissible for any power to usurp the jurisdiction of another power because it will thus have violated the constitution.

We as a society suffer, like the other societies, from the executive authority's domination of the legislative authority, meaning that the executive authority's will is above the legislative authority's will.

Third, no authority may cede its powers to another authority.

Fourth, cooperation can be achieved only if the formation and selection of the authorities come in accordance with the rules established by the constitution, regardless of whether this pertains to the formation of the cabinet or the election of the National Assembly. Here, we wonder: Has the executive authority been formed in accordance with all the constitutional rules and tendencies?

I answer in the negative because in its explanatory memorandum, the constitution points out that after every parliamentary election, the cabinet shall be re-formed after the head of the state holds the traditional consultations with the National Assembly speaker, with the heads of the country's political groups, and with former prime ministers. The constitution also stipulates that the cabinet shall be formed from among the Assembly members or others. Parliamentary traditions dictate that most of the cabinet ministers should be Assembly members. We do not see this practice being applied.

How can there be cooperation if no consideration is given in forming the executive authority to the tendencies and principles spelled out by the constitution?

Fifth, cooperation between the two authorities does not consist of secret agreements. Rather, the objective, framework, and content of this cooperation must be declared. We reject what takes place behind the scenes and far from the people's control—cooperation which often results in deals which are implemented according to the phrase "you support me and I will support you" and which, if they persist, lead to corrupting our society's political life.

Sixth, cooperation must be between the cabinet as a whole and the Assembly as a whole. It must not be the cooperation that splits the Assembly into a cooperating section that is viewed with satisfaction and a noncooperating section that is viewed with dissatisfaction.

Seventh, cooperation can exist only on the basis of policies, concepts, and principles because cooperation is a means through which we, as authorities, can achieve that which serves the public interest by adopting joint and agreed-upon policies and plans.

Concluding, Deputy al-Jaw'an demanded that the executive authority present its concept on cooperation "now that we have presented our concept. We cannot perhaps read well the Arabic language in which our constitution is written. So teach us this language."

Democracy for a Modern State

Deputy Dr Ahmad al-Rub'i underlined the deep roots of democracy in our people's conscience, stressing that they are founded on realistic bases. We must know that we live in a human society governed by laws and principles. Therefore, the problems must be examined, their dimensions must be determined, and then solutions must be formulated for them. He added that the first step that must be agreed on is that our society, like other societies, has its problems which must be solved in the acknowledged ways and that there are no special ways for the solution. He demanded that Kuwaiti society be managed in a manner different from that in which it is being managed.

Dr al-Rub'i demanded reexamination of the single-family idea, saying that the truth says otherwise. We wish we were a single family with amity, love, and harmony. But at the same time, we want to be a modern state and we will not be able to advance and build except on this sound basis.

Dr al-Rub'i also noted that an end must be put to the tune that democracy is a gift or a grant and that the National Assembly is a favor from the government because democracy is a genuine choice of the Kuwaiti people who will never agree to retreating from it.

He said that the facts must be acknowledged, even if they are harsh and do not please us, because this is the beginning of the path to reform. One of these facts is that there is no division between the government and the National Assembly and that the division is between a majority which supports a national reform program and a minority which has its reservations on the program because its interests lie elsewhere. This minority speaks of patriotism and, it has a big propaganda capability. But, God be thanked, this minority is not the Kuwaiti people. If the government seriously wants cooperation, then let it stand with the majority, including the National Assembly, against the minority and let it know that we are all in the same boat.

Dr al-Rub'i expressed the belief that the government has a big opportunity for reform at present and he described this opportunity as "unique" because the resources are available and the circumstances help this reform. The present Assembly is strong and ethusiastic for reform and is not an Assembly that has come, as they say, to settle the accounts.

Individuals are not important. There is a consensus among the citizens on the need for reform, there are national resources and vast national cadres

in all the spheres that can be improved, and there are material resources to which nobody knows what will happen tomorrow.

He added that the reform is not a technical reform, which is easier. Reform is a political act of will and the basis for this will is a political decision. The "other side" must take the initiative, demonstrate its will, and begin implementation before the opportunity is lost.

Dr al-Rub'i also spoke of the inviolability of public monies and demanded that the constitution be the umpire and the law the judge. He stressed that whoever violates them must be brought to account. He also asked the audience not just to pause before the concept of political democracy but to view deomcracy comprehensively, including its social, economic, and housing aspects.

He said that what is more important than all this is to continue to push life in a democratic direction and to abolish the ill-reputed laws, such as the law banning gatherings, the publication law, and other laws.

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KUWAIT

#### CAMPAIGN TO DIMINISH NATIONAL ASSEMBLY'S ROLE REJECTED

Kuwait AL-TALI'AH in Arabic 30 Oct 85 pp 10-11

[Article by Muhammad 'Abdallah: "Several Illusions Concerning the National Assembly"]

[Text] At the end of the week, the National Assembly will meet again to begin its second session to complete its agenda and pursue its political tendencies by exercising the control and legislative role entrusted to it by the constitution. The Assembly has gone through a summer phase different from past parliamentary holidays. Several official statements have been made about the relationship between the government and the Assembly and numerous meetings have been held between the crown prince and prime minister and the Assembly members to entrench the relationship between the two sides. Press articles have accompanied the official statements, speaking of the Assembly and of the need for the Assembly to cooperate with the executive authority. Brother Nasir al-Fahd of AL-RA'Y AL-'AMM has written a series of articles, addressing them to the Assembly members and asking them to "display a spirit of responsibility" and to steer clear of "bickering." He concludes by appealing to the members to "rise to the level of the country's and homeland's fate and, before that, to rise above levels which they have accepted for themselves--levels that are much below their standards as individuals and deputies. Let the session be a productive one rather than a session for hurling accusations and for straying into illusions." (AL-RA'Y AL-'AMM 17 Oct)

The entire campaign aimed at the Assembly is founded on three mainstays:

The first mainstay of this campaign is to insinuate in general terms and without any actual evidence that the Assembly has strayed from the role charted for it by the constitution and embodied in watching the government's executive activities and in legislating to deal with unsound existing conditions and to establish the legal framework for them. The campaign's depiction of the activities of the Assembly members, particularly of this Assembly's members, as activities intended for "personal gain" and for raising their voices in the face of the ministers, despite the major efforts exerted by the members until last July and despite the lengthy meetings held by the committees to discuss the various aspects of the country's problems—all of which have been tangible activities felt by the citizens—this depiction is intended to obliterate these activities by (generalizing individual movements as the entire

Assembly's efforts), by overlooking the positive work performed by the Assembly throughout its first session, and by saying that what the Assembly members are doing is tantamount to swerving from the constitution and from the Assembly's bylaws in order to strip the Assembly of its control and legislative role and to achieve personal gain for the deputy performing the role that is guaranteed him by the constitution.

The second mainstay of this campaign claims that the members have swerved from "constitutional practice." This allegation raises the fear that the the Assembly may be dissolved and the constitution suspended, as happened in 1976, that such action will be portrayed as an ordinary measure and not as a blow to the Kuwaiti citizen whose constitution states in the first page that the "basis of government" is for the three authorities to manage the citizen's affairs, and that the citizen will be given the false impression that the members have swerved from the "constitution," with the subsequent announcement that the Assembly will be dissolved and with all this portrayed as if it were an ordinary step. Those launching the campaign forget that this democratic experience is more than 23 years old, that we are supposed to have a constitutional generation, and that, consequently, democratic action must take place within the limits of all the provisions spelled out by the constitution.

This campaign, founded on imaginary allegations, finally gets to the imaginary demand, namely the demand to establish and implement the principle of cooperation between the executive and legislative authorities because in its first session, the Assembly engaged in this alleged action, rejected the principle of cooperation, and played a role different from its constitutional role. This being the case, the members must return to the right path and cooperate with the executive authority, or else the executive authority will find itself free to take whatever action it wishes vis-a-vis this behavior!

Let us return here to the principle of cooperation between the two authorities. We discussed this issue in previous editions, beginning with the campaign. The principle of cooperation is indisputable and is a democratic and constitutional reality. The principle of disagreement is also a democratic and constitutional reality, whether within the framework of Kuwaiti democratic rule or the framework of any other democracy. However, the principle of cooperation and of disagreement is based on policy, not persons. This policy is practiced in a fragmentary manner, not as a general policy, in Kuwait. This means that the political practices in any one sector differ from minister to minister. Each minister is responsible for his ministry's policy, as he is responsible for implementing the general policy within his ministry. Ministerial accountability to the National Assembly is fragmented because the executive authority implements the political tendency is a fragmentary manner.

Therefore, there may be concord and cooperation with the government's "policies" or there may be objections to them, depending on the current practice. But the two principles of cooperation and disagreement are faultless because they are a constitutional right and a form of action which the constitution explains in the best manner possible. This is the sole role which a deputy must perform.

The second point before which we should pause is whether the deputy has the right to practice his control and legislative right under the parliament's roof and whether the Assembly has swerved from this right.

The constitution guarantees this role and the constitution alone is capable of stemming any deviation from its articles, if there are practices that cause the deputy or deputies to swerve from their role.

Finally, insofar as the "imaginary demand" for the principle of cooperation is concerned, we believe that this demand must be addressed to the executive authority, not to the National Assembly. With its agencies and instruments, the executive authority has the numerical capability of bolstering cooperation and of implementing the policies capable of tending the Kuwaiti citizen's affairs in all spheres. Moreover, the executive authority is considered a constitutional member of the Assembly. The ministers are Assembly members who practice their right to vote and to debate in the sessions and all their other rights. The cabinet members constitute one-third of the National Assembly's membership. Therefore, they are the Assembly's biggest collective voting bloc and they can influence the decision-making.

If this deluded propaganda campaign is intended to diminish the Assembly's control and legislative role or to undermine the Assembly's weight, then this is something which the citizen rejects altogether. The citizen underlined this rejection in the latest elections in more than one election district and area. He wants an Assembly that performs its role as it should, having seen with his own eyes needless catastrophes and problems which would not have occurred if we had had real control.

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KUWAIT

CUSTOMS OFFICIAL DISCUSSES CONSCRIPTION, OTHER ISSUES

Kuwait AL-QABAS in Arabic 16 Oct 85 p 3

[Article by 'A'ishah al-Rashid: "Deputy Director of Customs to AL-QABAS: Ministry of Defense Refuses To Reduce Conscription Period for Customs Employees; We Are Exerting Efforts To Develop Work and Our War Against Smugglers Is Endless"]

[Text] In an exclusive statement to AL-QABAS, 'Abd-al-Muhsin Ghanim al-Qudaybi, deputy general director of the Customs Department, said: The Ministry of Defense has refused to reduce the conscription period for customs employees, with the exception of employees with a fixed service. In our letter, we pointed out that the Ministry of Defense is entitled to supervise these conscripts in terms of fines and the observation of workhours so that they may serve customs operations and bolster its inspection agency, since three-quarters of the employees are under conscription. However, the Ministry of Defense has rejected this argument.

Al-Qudaybi added that in special cases, "we enlist the service of the employees of certain centers to help in other centers that come under pressure, such as al-Salimi center."

He noted that the Customs Department takes capability and integrity in its employees into consideration because they constitute the basis of the work. We do not consider a qualification not coupled with capability.

He also pointed out that the Customs Guard Office has numerous incentives to encourage youths to continue serious work. Rewards are disbursed once every 3 months for seized goods. Moreover, the Ministry of Interior also contributes to the rewards by allocating sums of money for the purpose. The ministry requests the names of employees engaged in seizure operations in order to reward them. Excellent work allowances are also disbursed at the end of the year to employees seizing contraband, weapons, drugs, and other items that are illegal. Moreover, there are the incentive allowances and the guard duty allowance.

AL-Qudaybi further pointed out that Kuwaiti youths are disinclined to join the other sections, especially the documentation section, because most of these sections need science and English-language high school graduates because most

of the policies and certificates of origin are in English and need to be translated. Few are in French or Italian. We also need Kuwaiti graduates in accounting because we have activities that require an accounting capability, including the transfer of world currencies to Kuwaiti dinars. These graduates should also be knowledgeable in bill discounting, credits, and foreign trade.

He added: To make up for the shortage, we trained some high school graduates for a period of 8 months and placed them in jobs according to their specializations and qualifications. But we found that their productivity is very low. After a short period, we were compelled to change their jobs and put them in jobs conflicting with their qualifications but found that their tendencies are compatible with the new jobs. Since then, their production has improved.

On sifting the administrative apparatus of the Customs Department, al-Qudaybi said: We reexamined the department's organizational structure 4 weeks ago and found that the work of statistical control and audit control was similar. So we merged the two and we now have a single control under the general director.

He noted that he supports the idea of opening the door for the young elements who are qualified to shoulder and capable of shouldering the job's responsibilities so as to rejuvenate and enhance the work and improve the level of performance.

Regarding future plans, al-Qudaybi said: The department plans to devote attention to the Kuwaiti manpower elements who are aware of the customs work and provide them with training at high theoretical and practical levels and in all sections, introduce the computer to all sections, devote attention to the utilities that are compatible with the advanced situation, and build new centers so that application and work may complement each other.

He added: We have completed the 5-year plan after introducing the final touches to it and have sent it to the Planning Department. This plan calls for devoting attention to the border centers and to building them in the latest style, for devoting attention to clubs and for providing good food and housing compatible with the climatic conditions. This means building advanced border centers.

On the entry of some banned materials through smuggling, al-Qudaybi said: We are in a ceaseless war with smugglers. This war will never end because smugglers are always searching for alternatives and we uncover and fight these alternatives. This situation exists at an international level. Smugglers think up new tricks and methods which we may not be able to discover at the outset. But we uncover them after a while. We have been able to seize large quantities of banned materials. We have seized liquid hashish in bottles, in headbands which men use over their headcovers, in bird cages, in secret hiding places in cars, and even in children. Some people subject children to surgery so that they may place heroin in the wound. We have also discovered heroin in cigarettes. We are always lying in wait. The truth is that we have not finally eliminated drugs but we have reduced the smuggled quantities to a minimum.

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KUWAIT

#### AL-DAWHAH PORT ACTIVITIES DISCUSSED

Kuwait AL-QABAS in Arabic 11 Oct 85 p 5

[Article by 'A'ishah al-Rashid: "Traffic in al-Dawhah Port; al-'Umayr: Port Includes 20 Anchorages; New Expansion Will Contribute to Country's Commercial Prosperity"]

[Text] Kuwait's ports have a direct connection with the national and private economy. There is a plan to turn al-Dawhah's current anchorages into piers fit for the anchoring of big ships so that the country's cement and iron imports may be diverted to these piers.

AL-QABAS interviewed Ahmad 'Uthman al-'Umayr, director of al-Dawhah Port, who said that the port comprises 20 anchorages, each with a length of 100 meters, and 9 basins, in addition to the northern anchorage.

He added that the port receives wooden boats and that the priority of anchorage in the port is given to Kuwaiti wooden boats. The port receives more than 20 boats a day but the number has dropped recently because of Iraq's blows against Iran, because of the continuation of the war, and because of the onset of the month of Muharram, which is considered a religious month by the Iranians.

Al-'Umayr also noted that 90 percent of the Iranian boats, most of them carrying construction materials and palm trees, unload their cargo and load goods from Kuwait, mostly electrical appliances. A boat's load ranges from 130 to 140 tons.

Al-'Umayr noted that non-Kuwaiti boats are permitted to remain at anchor for a maximum period of 1 week after unloading their cargo. This also applies to boats arriving unloaded. They are permitted to anchor for 1 week and then leave the pier for the external anchorage opposite the port. The anchorage for such boats is set at a spot far enough from the port to permit the passage of other boats (to make it possible to secure the necessary equipment for them and to enable them to anchor at the external pier).

Al-'Umayr explained that the presence of the current port has a harmful impact on the desalination plant in al-Dawhah and prevents the expansion of this plant in the future, not to mention the boats' wastes and wooden debris which cause environmental pollution.

[Question] What are the steps taken before cargo is unloaded?

[Answer] Before a boat is unloaded, precise steps are taken to insure the safety and legality of the goods. Before unloading its cargo, a boat must go to the boat control department so that the boat, its goods, and the quality, weight, and origin of the goods may be recorded. The boat is then inspected to verify the contents of the recorded statements and to make sure it carries no contraband. The port police station also checks the arrivals' passports.

He noted that 10 percent of the arriving boats are Bahraini, Yemeni, Saudi, Indian, or Kuwaiti boats.

Al-'Umayr further pointed out that labor on the Kuwaiti boats is Iranian and asserted that the authorities concerned have banned all workers from disembarking at the port and entering the country. He said that priority is given to arriving boats according to the time of arrival and that each boat takes its turn.

He added that some boats arrive without identification papers. We are compelled to receive them and then we notify the marine survey control department of the Ministry of Communications to take the necessary steps. We then notify the passports and customs offices to inspect the boat thoroughly. When this is completed, the boat is referred to the port administration. The boat traffic control section then directs the boat to the right anchorage. If the boat is carrying goods, we facilitate its unloading operation.

Regarding the boats' needs for fuel and maintenance, al-'Umayr said: A boat owner must acquire a permit from the passport office to enter the country to get fuel and spare parts, or he will have to contact an acquaintance in Kuwait to get him what he needs.

He also emphasized that there is a ship that supplies wooden boats with fuel on the high seas and said that the port's central market has spare parts to sell these boats and that a boat has to leave the pier while undergoing maintenance so that it may not pollute the water.

He also noted that often the boats require maintenance on deck, that, therefore, they do not cause extensive pollution, and that this pollution is within the limits of 2 percent.

Al-'Umayr added that boat owners are responsible for unloading the cargo and they are the ones who supply the labor. The port has only two cranes to load and unload boats.

He also pointed out that the boats have large warehouses in which to store goods until their owners collect them. There are in the warehouses workers to sort out the goods, number them, and store them in the right places. The goods are allowed to remain in the warehouses for 14 days. Should the storage exceed the permitted period, the port management levies a fine for every day of delay. After 3 months, the goods are handed over to the treasury which auctions them openly. The administration then collects its dues, even though the auction yield may not cover the basic value of the goods.

Regarding the problems faced by the port, al-'Umayr said: Most boat owners are illiterate Iranians who do not know or observe the laws. The port management exerts big efforts to explain matters to them and to eliminate all the difficulties they face. The boats are allowed to anchor for the permitted period. If this period is exceeded, the management makes the owner pay.

He added that the port receives 2804-2,963 boats a year, most of them Iranian. Exported goods amounted to 8,964,805 kg last year and imports delivered directly amounted to 10,763,708 kg. The number of vehicles exported to Iran was 1,754 vehicles. The exports currently in storage amount to 4,923,813 kg and the imports in storage amount to 5,125 tons. We also have 329,326 parcels.

The exports consist of refrigerators, washing machines, electrical appliances, car tires, and old and new spare parts. Most of the exports go to Iran.

Al-'Umayr asserted that all exports and imports are subjected to thorough inspection by the documentation department and that this department confiscates contraband in cooperation with the customs department which approves the confiscation and then collects the transfer fee for its effort.

We noticed recently that exports going to Iran are returned again, thus provoking our suspicions. We noticed that five boats loaded with the same kind of goods depart the port and that a week later, two boats return loaded with the same goods. They are again subjected to a thorough inspection to make sure that there is no tampering and no contraband or smuggled goods. After a while, we discovered that the activity was arbitrary.

He also pointed out that numerous Kuwaiti boats left the port and did not return, adding: We notified the marine survey department which in turn notified the authorities concerned to take the necessary steps.

Al-'Umayr also said that wooden boats have been following a new naval route close to the coastline so that they may not be subjected to bombing.

One of the new projects is a project to expand the port. But the expansion has not been made yet because the project was suspended as a result of the latest war conditions.

Al-'Umayr asserted that when the port is enlarged, commerce will flourish greatly in Kuwait because the port will be able to accommodate ships with a load capacity of 1,000 tons. One of the future plans is to introduce the computer system into the port.

He said that the management will occupy its new premises at the beginning of next year because we share the present premises with the customs department.

He pointed out that the port comprises several departments and control offices, including:

The port's general administration; the control center over the boat basins, which receives and records boats; the pier and warehouse control centers; the security and safety control center, which includes the law and order control center; the financial section, which covers auditing, collection, and the treasury; the customs department, which includes the documentation section; the guard section; the marine survey department, which is under the control of the Ministry of Communications; the health, veterinary, agricultural, and municipal quarantine center; the state security section, which is under the control of the Ministry of Interior; and the fire stations.

8494/12955 CSO: 4404/43

KUWAIT

#### CIVIL DEFENSE PROGRAMS PREPARED FOR STUDENTS

Kuwait AL-QABAS in Arabic 20 Oct 85 p 4

[Article: "Ministries of Interior and Education Prepare Civil Defense Enlightenment Programs for Students"]

[Text] The Ministry of Interior is preparing enlightenment programs in the spheres of security and safety aimed at familiarizing the citizens with the various means to be adopted in cases of emergency.

Out of its belief in the national objectives of these programs and in the weighty services they render to the citizen and the country and out of its eagerness to spread security awareness in its schools and institutes, the Ministry of Education invited the schools to familiarize themselves with the steps to be followed when any reports on the presence of explosives are received.

The Ministry of Interior's General Civil Defense Directorate explained the following:

Definition of explosives: Explosives are chemicals mixed in certain percentages. They may be solid, liquid, or a combination of both. When affected by an external factor, these materials turn into gas and enormous pressure accompanied by intensive heat.

#### Types of explosives:

- High explosives are materials that explode, generating an enormous pressure accompanied by heat, such as TNT.
- Low explosives are substances that ignite without exploding, such as black gunpowder.

First, initial steps to be taken in case one receives a report on the presence of a bomb: Don't get confused, record the report verbatim, allow the informer to speak, and let another person close to you listen to the conversation, if possible.

Gather information about the bomb: the time it is set to explode, its exact location, its shape, and its size. If it is in a car, try to find out the car's color, make, registration plate number, and location.

Through accent, try to find out the following:

- Sex (male or female).
- Age of informer.
- Nationality of informer.
- Informer's state of mind: confused, regretful, calm.

After gathering this information, contact the rescue police by calling telephone number 102 and give them the details you have gathered.

Determine who the security official in charge is.

Inspect the place, with the official assigning a number of section supervisors and with each supervisor inspecting a wing or a section according to his specialization.

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#### BRIEFS

EXPORTS TO JAPAN--The Japanese Ministry of Comp. yesterday that Japan's crude oil imports in .... over September 1984 and amounted to 16.07 million said that the size of the increase is often in: imports last year as a result of the high cil in :: that imports from Kuwait rose last month by 162. reach 132,578 kiloliters. The UAE was the bigger September, with its exports of 4.4 million kill. monthly figure. The imports from Saudi Arabia de :comparison with the preceding year, amounting to 1. Oil imports from Indonesia took third place, and the liters, an increase of 4.8 percent over 1984. followed Indonesia with 1.3 million kiloliters. \* China rose by 35.7 percent, amounting to 1.2 mil' cials added that Japan's reliance on the OPE: . . . cent, meaning that there was not much of a disc. last August. [Text] [Kuwait AL-QABAS in Arabl :

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TEDMINOIN

PSP SECRETARY GENERAL URGES SOLIDARITY WITH AMAL

Beirut MONDAY MORNING in English 2-8 Dec 85 pp 21-24

[Interview with Progressive Socialist Party Secretary-General Akram Shehayeb by Nadim Abou-Ghannam, date, place not given]

[Text] What measures have been taken to prevent the recurrence of Amal-PSP clashes?

This latest round has proved the most destructive not only to West Beirut, but to us also, meaning the PSP and the Amal Movement as allies, and we must now prepare to confront the coming political or military phase together.

The measures we are taking aim not only at ending the present turmoil, but mostly to prevent any future flaw in our alliance with the Amal Movement, since it is this alliance which helped us win in Beirut, the mountain and the South, and without it we could not have confronted the Phalangist Party, the Lebanese Forces and the ruling regime.

### Would you tell us anything about the measures themselves?

They are numerous. We are now working on purging our ranks, both within Amal and the PSP. People usually side with the main power on the ground, and many have joined Amal and the PSP not out of political conviction, but because they were the stronger militias. These elements have manipulated the differences between Amal and the PSP, leading to this latest round of violence.

We are now working on ousting them from our ranks, so that we can resume our natural military size.

After February 6, 1984 both Amal and the PSP spread out of proportion in West Beirut. We are now working on resuming our natural military size, since our goal is not to open offices or fight with our brothers in the Amal Movement, but to fight together against our common enemy on the demarcation lines, namely the Lebanese Army, the Phalangist Party, the Lebanese Forces, and the common enemy in the South. We are seriously working on reducing our military presence here, and on eliminating any factor of sensitivities on the ground.

I am confident these efforts will prevent any future hostilities.

It is said the Amai-PSP battles were the result of deep political differences, and not merely of the lowering of the flag.

The flag was the sparking flame. We consider this Lebanese flag to be a Phalangist flag, it was created by the Phalangists and it represents the oppression and hegemony which have characterized the regime since 1943. It is this regime which brought the country to its present state. Hence we were not against the flag itself, but against what it symbolizes. There was a tactical mistake in raising this flag in certain areas. Our brothers in the Amal Movement did not raise it out of love, but because of certain sensitivities which had erupted between an Amal office and a PSP office. personal sensitivities. There are no political differences between the PSP and Amal, and the best proof is that we have fought military battles together in the same trench, and we are now waging a political battle together. There may be differences in tactics and points of view, but our strategic goal is the same, namely the creation of an Arab, progressive democratic country.

PSP leader Walid Jumblatt said he would assume full responsibility for his mistake. What will he offer to the innocent civilians who have lost family members or material property?

One of the characteristics of Walid Jumblatt is his courage in always saying the truth. As to what he will offer, all we can say is that this is war, and war has a price that innocent people have to pay.

The bill is always paid by the innocent, guiltless people, and the bill was very high this time since the war was between brothers. Consequently, the only compensation we can offer to these innocent people is greater solidarity between Amal and the PSP, and an increased struggle on behalf of the poorer classes.

The people who have fought and died in Beirut are members of the poorer classes in Beirut, the mountain and the South, and we must struggle for them.

## There are political and military differences in East Beirut. Why don't these lead to large-scale street battles?

The struggle in East Beirut is a struggle for leadership. Two things are considered sacred there: the presidency of the republic and the army command, meaning political leadership and the leadership of the military force that can execute the presidential decisions. Hence the conflict in East Beirut is between Simon Kassis, head of the army intelligence services, who has been appointed by the president of the republic to silence Elie Hobeika and prevent him from moving into the limelight.

Yet even if we consider the most extreme Maronitism, represented by SLA commander Antoine Lahd, and what is called moderate Maronitism, represented by former President Suleiman Franjieh, we find that there is no essential conflict among the Maronites on what they consider their sacred privileges. The struggle within the Maronite community is only for leadership.

How long will the joint Amai-PSP strike force enforce security in West Beirut? Shouldn't this be the responsibility of the army, represented here by the Sixth Brigade, or the internal Security Forces, with the support of the Syrian military observers whose number is to be boosted?

In the present circumstances, the joint strike force will continue to take care of security by preventing any agent, and they are numerous within both parties, from instigating strife and hostilities.

However, there are contacts to find a security force that will be agreed by all, and by Syria of course.

Former President Suleiman Franjieh said the tripartite accord was stillborn. Do you agree with him?

Franjieh is responsible for the failure of the Geneva conference which entered into lengthy debates about the Arab or non-Arab affiliation of Lebanon. Moreover, before going to the Lausanne conference, Franjieh was a prominent member of the National Salvation Front, yet during the conference he indulged in long and involved debates about the presidency of the republic and the prohibition to change anything about it. All this shows the Maronites' obstinate determination to preserve their so-called sacred privileges. In essence, he does not disagree with the Lebanese Forces who withdrew the accord because it could take these privileges away.

Anyway, we may be going to Damascus early next week to discuss alternatives to this accord with Syrian Vice-President Abdelhalim Khaddam.

Finally, what would you like to tell the people of West Beirut that may allay their fears of a fresh round of violence?

The PSP and Amal have taken a final decision to deal very seriously and severely with any element, whoever he may be, who threatens to spark new clashes. The best proof of our determination is the execution of Abu al-Hawa, who had repeatedly refused to obey the party or military orders. In addition, we are imprisoning a number of elements: the PSP has already arrested around 20 and I think Amal has the same figure. But numbers aren't really important. What matters is that there is a decision to get rid of all unruly elements, whatever the price.

The PSP and Amal are infested by a very large number of agents who are on the payroll of the Deuxieme Bureau, Israel or other outside powers, and both parties will from now on be very cautious about discovering them and punishing them.

The Amal-PSP alliance must continue, and we must go on fighting in the same trenches, since the end of this alliance would mean the end of Arab Lebanon and the creation of a second Israeli state in the Middle East.

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LEBANON

AMAL OFFICIAL HITS ONE-PARTY HEGEMONY

Beirut MONDAY MORNING in English 2-8 Dec 85 pp 26-29

[Interview with Amal Movement Executive Committee Chairman Hassan Hashem by Amal Fadiallah, date, place not given]

[Text]

Are the security measures taken by Amal and the PSP sufficient to prevent the recurrence of armed clashes between the two parties?

We certainly seek to establish a stable security situation in West Beirut, and do not consider the joint strike force sufficient to achieve this goal. The force is transitional and will facilitate the passage to a new formula that would suit everyone, since Beirut cannot be the monopoly of any one faction or party.

Beirut is the capital of Lebanon, and whatever happens here will be applied throughout the Lebanese regions. Hence the hegemony of one faction or sect in Beirut will mean the hegemony of a faction or sect in various parts of Lebanon, and this will lead to partition of the country.

Consequently, the provision of security in West Beirut must take this political principle into consideration. No one can monopolize the responsibility of security in Beirut, just as no one can shun his responsibility in establishing security.

Contacts between the various West Beirut political and spiritual leaders are being conducted with a view to reaching an agreement on the force best qualified for implementing security in this region. These contacts naturally revolve around the army troops deployed here, namely the Sixth Brigade, which is fully qualified, together with the Internal Security Forces, for such a role, since it has always assumed a defensive role and never involved itself in attacks, gaining thus an increasingly legal aspect.

You say the Sixth Brigade is fully qualified to assume the responsibility for security in West Beirut. But a majority of the Beirutis do not share your opinion and believe a second force must back this brigade. What do you think is this force that can support the Sixth Brigade?

For some time now, attempts have been made to thwart the role of the Sixth Brigade, but all in vain, since the brigade is still up to its responsibility. In addition, the Internal Security Forces, as I have just said, constitute a ready faction that no one objects to. The Syrian initiative confirms that the Sixth Brigade is militarily and otherwise capable of accomplishing its role. If the factions present on the Lebanese seen do not agree to that, they would be obstructing the duties of the army. However, if all accept the deployment of this brigade and the ISF in West Beirut, without any sort of party cover, the army will prove that it car. accomplish its legal mission.

It is said that some parties are unable to withdraw their protection of some of their unruly elements. How is this to be dealt with?

I do not think this is true. Some uncontrollable elements are still present in some of West Beirut's narrow alleys but that does not mean their leaders have no influence over them. If that were the case, the leader might as well resign his post.

Amai-PSP clashes have been recurring on a monthly basis, and at the end of every battle a joint strike force is created that however falls in establishing stability on the ground. Are we to understand that the alliance between the two parties is merely for public consumption, and that deep political divisions separate them?

I would like to make it very clear here that the alliance between Amal and the PSP is one that does not seek to eliminate all differences in political views between the two. Our relationship is based on the principles that each of us has its own political views and ideas, that we are two fronts and not one that results from the merging of the two.

However, we share the same attitude with regards to two essential issues: confronting the direct or indirect, military or political Israeli occupation of Lebanon; and confronting the sectarian formula of the Lebanese system.

These are the issues on which we agree, and they help us overcome our other differences for the sake of Lebanon's unity and the liberation of our soil.

Analysts say the last battles were not almed at substituting one flag with another, but at thwarting the tripartite accord that was negotiated in Damascus. What is your comment?

This may indeed be one of the results of the latest battles. Moreover, should these recur, they will lead to a political and security vacuum in West Beirut and to severing the links between the various Lebanese regions, and particularly between Beirut, the South and the Bekaa. Whatever the real reasons behind this round of violence, the results all serve Israel's interests since Israel's wish is to create tension in all the Lebanese regions except those it occupies, in order to tear the Lebanese organism apart, and hence continue its occupation of our land.

## Amai leader Nabih Berri recognized the existence of certain flaws in the Amai-PSP alliance. Can you tell us anything about these?

As I have already said, the Amal-PSP relationship is based on the principle that each party has its own characteristics, and these include more than one difference. The two major issues on which we agree, namely Lebanon's unity and the abolition of political sectarianism, constitute the links between us. These two issues put aside, we disagree on a number of political ideas and conceptions. Moreover, we in Amal were not on the offensive, but kept on the defensive side.

# The Sunnite leadership rejects party security and calls for Syrian or legal Lebanese forces. What do you think is the reason for their distrust of the joint PSP-Amai strike force?

The Sunnite leaders are not alone to have this opinion which is also that of most citizens. We all know that party security cannot bring the situation back to normality especially as West Beirut does not belong to one sect alone.

## Political differences in East Beirut never lead to the wide-scale armed clashes that erupt in West Beirut for the slightest reason. Why is that so?

Those who play with people's lives seem to have been more successful in West Beirut, where contradictions still prevail to the present day.

We have recently achieved a significant progress toward unity, but we do not seek to have a completely united stand on anything except the Israeli occupation of Lebanon. The internal fighting we have been witnessing for the last ten years is useless, or rather it goes against unity of ranks and hence weakens our confrontation of the enemy. But we are now determined to eliminate the causes of internal fighting, and not only in West Beirut.

### Do you agree with former President Suleiman Franjieh's statement that the tripartite accord was stillborn?

It is preposterous to talk of an accord as long as those who are going to Damascus to negotiate its items are also simultaneously sending fighters to the border strip. I have information about this, and I know convoys of fighters are still going from East Beirut to the border strip. Wa also know that contacts are still being conducted between some factions in East Beirut and Israel. This makes us quite confident that the Lebanese Forces, who regularly send their delegates to Damascus, are not really seeking a solution, but simply want Syria's approval. Such secret intentions do not provide the accord with guarantees of success.

the accord is to succeed, its negotiators must an arranged the continuing Israeli occupation, but quite the stressist this occupation. East Beirut cannot be legates to Damascus and fighters to the border strip the arrangement time. If East Beirut wants the accord to succeed, and the stop acting this way, or we will stop it.

### in other words, you still insist on the ratification of the impartite accord?

record it he accord is irrelevant as long as it has good to exceed success, and this requires of the accord, tripartite that a global and representative and to be supported as all leaders who can guarantee its success. For the success we have seen an almost complete attendance and at the Geneva and Lausanne conferences, but the success were not sincere, the conferences failed and good intentions are what make an accord a success series as the series of sector, namely by severing all ties with a settling their own internal problems.

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LEBANON

BERRI INTERVIEWED ON 'POLITICAL MARONITISM'

Beirut MONDAY MORNING in English 25 Nov 85 pp 26-27

[Interview with Amal Movement leader Nabih Berri, unnamed correspondent, date, place not given]

[Text]

It has been said that the tripartite pact, though claiming to abolish political sectarianism, will in fact shift hegemony from one sect to another. How would you comment on this?

Let us speak very plainly. A sectarian system came into effect in Lebanon, under which the Maronite sect has ruled since 1943. There are fears now that the numerically largest sect, the Shiltes, are seeking to substitute one hegemony for another. These fears are voiced by one faction only, yet it would be better to speak of the nation as a whole. The Shiltes were treated unjustly. They were deprived of their rights and made to live in the poorest regions, surrounded by misery. Now they have grown numerically superior and productively stronger, and the rest are scared of this. But that is not to say the draft pact will serve their interests, nor that it will serve the interest of any sect in Lebanon.

As a matter of fact, the Amal Movement does not care solely for the Shiltes but for all oppressed people, and these include Maronites as well.

Similarly, there is a basic misunderstanding surrounding, what we mean by «political Maronitism». When I speak of this Maronitism, my words are interpreted as attacks against the Maronites as: a sect, whereas I am referring to an attitude of "Political Maronitism" prevails in certain Shiite and Sunnite circles too, it has followers from all sects. Hence I am waging a battle against this attitude of mind, but certainly not against the Maronites as such. The Maronites, like the Shiltes, Sunnites, Druze and all other Lebanese, are my compatriots. We belong together. Anyone who knows how the Christians have been living in South Lebanon since the Israell withdrawal from Sidon to the border strip knows the Amal Movement does not distinguish between Moslems and non-Moslems. Indeed, Amal has reasons to believe that those who insist on maintaining political sectarianism are more harmful to the nation than the Maronites as a sect.

...Political sectarianism states that the largest sect should hold the presidency and the top posts in the state. But Amal believes meritocracy and equality should prevail. This does not mean privileges for the Shiites, it means the abolition of political sectarianism. Some still claim—that this call was motivated by sectarian concerns. And despite the fact that they were wrong, I—told them a transition period would be implemented during which resentment and mutual fears would calm down.

After hearing the Lebanese Forces' demand for amendments to the draft, you warned that unless the pact is ratified you would call for an immediate abolition of political sectarianism. Are we to understand that you are no longer willing to negotiate?

I have already answered this by saying there will be a transition period and that equality between the sects must be implemented. We have no alternative to this accord.

Do you expect the accord to be signed in a restricted conference?

An enlarged national conference would be preferable.

You have talked of coexistence in the South. What, in your opinion, is the best means to preserve Jezzin?

Jezzin is indeed a symbol of coexistence in the South, but it

hope the exaggerated fears for its safety stem from a genuine concern for the city. Ir. fact, I fear this concern is no more than an attempt to protect (SLA commander Antoine) Lahd's presence in the town rather than the town itself. Yet as long as Lahd is in Jezzin, Jezzin is at risk and may lose its significance as a symbol of coexistence.

Are the U.S. and Israel the only two forces obstructing the ratification of the tripartite accord?

These and all their satellites. For the alternative to the implementation of the pact is division, and division serves the establishment of sectarian mini-states.

The draft pact provides for the return of the displaced. In what phase of the accord will this be carried out?

According to the pact, this should take place during the first stage as one means of ending the war.

Will all political leaders, including those opposed to the pact, attend the national conference if it is convened?

If we were after the satisfaction of the traditional leaders, we would not have felt the need for negotiations and an agreement.

But if the traditional leaders are excluded, who would attend?

The national forces, those young not in age but in spirit. All those who believe in a new, united, Arab Lebanon that belongs to all its citizens and rules over all its territory. Lebanon of justice and equality, whose role is greater than its size, will be welcome at the conference.

And what do you expect the fate of this pact to be?

The pact will constitute a stable state, since it was written down in clear terms, while the 1943 pact is couched in the most obscure terms, the meaning of which can only be vaguely guessed at by a fortune-teller.

But it is said that if the pact is signed in a restricted meeting, it will share the fate of the Geneva and Lausanne agreements...

This is very probable, hence my insistence that it be ratified in an enlarged national conference. Anyway, the pact is no longer a secret. As it is, the president has a copy of it, and so do all the parties in the National Unity Front, the Lebanese Forces and all Christian personalities close to the Forces, and all Shiite, Sunnite and Druze personalities close to Amal and the PSP.

Will the pact go through the necessary constitutional channels?

Yes, and prior to the appointment of new deputies. This is a measure to ensure its stability.

Former President Camille Chamoun is the staunchest opponent of the tripartite pact. Would be welcome to the national conference?

Let him adopt a clear and frank stance against Israel and Antoine Lahd and he will be welcome. Let him be as courageous as Elie Hobeika.

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LEBANON

SIDON NASIRITE LEADER SAYS FIGHTING WILL CONTINUE

Beirut MONDAY MORNING in English 25 Nov 85 pp 32-33

[Interview with Mustafa Saad, general secretary of the Nasserist Organization in Sidon, unnamed correspondent, place, date not given]

[Text]

It is said that a state of suspension is what is required now in Lebanon, with neither a solution nor a battle. Do you agree with this?

This has always been our belief, as we have always said that the battle is still very, very long, be it political or military. In this sense the "suspension" of affairs is only military, while the political conflict continues to simmer. Moreover, as long as Israel still occupies a large part of our sacred land, the Lebanese national resistance must continue its confrontation of the Zionist enemy and its agents.

You said the battle is far from over. How long will it go on?
God knows.

You sound very pessimistic?

Indeed I am. God only knows when the battle will be over. In five, four three years maybe...

Will detente on the international and regional levels not speed the solution?

As long as the cause of the Palestinian people is not solved, and that Israel and the U.S. refuse an international conference grouping the two superpowers, Syria and the Palestine Liberation Organization, the situation remained very difficult.

If the political battle is to go on, would it translate into a military conflict in South Lebanon, Beirut or Tripoli? Maybe in the South, where Israel is still trying to provoke strife.

Do you expect SLA commander Antoine Lahd, with the backing of israel, to try and reach Sidon?

Only two days ago Lahd met with those he displaced from the eastern suburbs of Sidon, with the help of Israel and the Lebanese Forces, and tried to convince them that he will work on their return to their homes and that Israel will help him, maybe even with war jets. israel is providing him with ammunition, money, and even jets. Does this mean a battle in eastern Sidon is likely?

It is. We take all possibilities into consideration.

The Lebanese Forces, the Phalangist Party and the National Unity Front are engaged in a sort of media war. Will this have any political or military repercussions?

Our stance concerning this is very clear. We want the abolition of political sectarianism and the establishment of a state where equality, justice and equal opportunities prevail. We want a new Lebanese constitution. But the Lebanese Forces are trying to gain time by means of the renewed Israell-Zionist initiative. The U.S. cannot accept the blow it received when the patriotic forces succeeded in abrogating the May 17 accord and ousting the American warships and Marines from the Lebanese shores and land. Hence the U.S. will try to manipulate its sympathizers, the Lebanese Forces, who prefer partition to the loss of their privileges through the abolition of political sectarianism.

#### And will the U.S. plan succeed?

The situation in Lebanon is very sensitive to the regional and international atmosphere, but our popular confrontation of the fascist and Zionists will certainly continue.

However, whether we like it or not, some people are collaborating with the Zionists.

#### But is partition likely?

The fact is that people will not easily accept the less of their privileges through the abolition of political sectarianism.

That is for sure. But when we consider that the Lebanese have been at war for 11 years...

Everything is likely. Syria is certainly sparing no effort to achieve peace in Lebanon, and it will never abandon Lebanon.

### Do you think it will take years to abolish political sectarianism?

Yes, this is my personal opinion.

### Yet Syria is capable of bringing about a military solution to the war. Why doesn't it do so?

Syria is certainly capable militarily, but the Syrian leadership is cautious not to engage in internal battles on the Lebanese scene.

## There are fears of renewed violence on the traditional battlefronts in case the tripartite accord fails. Do you think this is likely?

Everything is likely. We hope the Christians will realize the dangers their leaders are leading them to.

#### Are we to consider that the tripartite negotiations in Damascus have falled?

The negotiations are irrelevant. The abolition of political sectarianism is what matters.

But the Lebanese Forces are against this. Does it mean the negotiations have failed?

Dialogue will take a long time.

Should the accord fall, what do you expect on the ground?

The fate of Lebanon will be at stake. The abolition of political sectarianism is a prerequisite for Lebanon's survival as a united Arab country.

How would you evaluate the situation in Sidon, and do you expect any military flare-ups between Sidon and the Palestinian refugee camps?

I do not expect any battles at all.

And what about the situation in the Beirut camps?
This is another issue, related to the inter-Palestinian situation. The Tripoli battles were an inter-Palestinian war.

Between the Arafat loyalists and the National Salvation Front? Yes.

And do you expect such battles to erupt in the Beirut camps?

Not really, but everything is possible.

Are the clashes currently happening in the South an attempt to regain control of eastern Sidon, or to oust UNIFIL from the region?

I do not think it possible to oust UNIFIL but the displacement of people and demographic segregation are likely.

We have always called for a UNIFIL deployment to the international borders, as stated in U.N. Security Council Resolution 425.

But as a result of insecurity in the South, some countries have withdrawn their contingents from UNIFIL...

Then the United Nations no longer has a role. Let us await the outcome of the superpower summit. •

/9317 CSO: 4400/77

JPRS-NEA-86-005 15 January 1986

#### INCREASE IN COUNTRY'S TRADE ACTIVITY DISCUSSED

London AL-TADAMUN in Arabic 2-8 Nov 85 pp 30-31

[Article: "In Wake of Completion of Infrastructure Projects, Oman's Trade Activity Grows Severalfold; Number of Registered Firms Grows Eightfold in 10 Years"]

[Text] Throughout history, the Omanis have been famous for their commercial activity. Through its geographic position as a bridge between the east and the west, the Sultanate of Oman has witnessed energetic commercial activity throughout the ages, since it is on a world trade route which was known in ancient times as the "spice" route.

The years of the First and Second 5-year Plans have witnessed the completion of a large number of infrastructure projects that have helped the commercial sector grow greatly. For example, the traffic of goods unloaded at Qabus Port rose from 71,000 tons in 1970 to 1,623,000 tons in 1980, i.e. it grew more than 23 times. The length of asphalted roads also increased from 10 km in 1970 to 2,142 km in 1980, i.e., more than 214 times. The government has continued to bolster the infrastructure and the length of asphalted roads amounted to 3,222 km in 1983. The gross local product, assessed at current prices, achieved a high growth in the years of the First 5-year Plan, amounting to 1,823,000,000 Omani riyals in 1980, compared to 724 million riyals in 1975, i.e., with an increase of 1,099,000,000 riyals or 151.8 percent at the end of the 5 years of the plan or an average annual growth rate of 20.3 percent [presumably meaning 30.2 percent]. This high growth in the gross domestic product was achieved as a result of the increase generated by the main sector, namely the oil sector which started exporting in 1967, with exports amounting to 754 million Omani rivals or 68.6 percent of the gross domestic product.

The 1983 revenue estimates show that the gross domestic product amounted to 2,741 million Omani riyals, compared to 2,609.7 million Omani riyals in 1982, i.e., an increase of 131.6 million Omani riyals or a growth rate of 5 percent.

Moreover, the sultanate has encountered no difficulty in marketing its oil, dates, fish, fresh fruits, and goods re-exported to foreign markets in the 1970-85 period.

As a result of all these factors, we find that the trade sector, which contributed 38.5 million Omani riyals to the gross domestic product in 1975, contributed 303 million riyals in 1983.

The number of registered trade firms and establishments rose from 1,106 firms in 1975 to 10,963 firms by the end of 1983, with a capital of 160,911,000 Omani riyals.

Out of Sultan Qabus' belief in the importance of the trade sector, the Omani Chamber of Commerce and Industry was founded in 1973 and the Ministry of Commerce and Industry in 1974.

The Ministry of Commerce and Industry includes the General Trade Directorate which comprises the Trade Register Directorate, the Domestic Trade Directorate, and the Companies' Affairs Directorate. A regional office was also established in the southern province and two other offices in Sahar and Nazwa so that people in the provinces with affairs to be handled by such offices will not have to go through the trouble of traveling to Muscat, the capital. The ministry is currently in the process of establishing a regional office in Sur, 'Ibra, and Abra for the purpose of spreading the benefits.

The sultanate is trying to encourage foreign investments in the country. A special law was issued for that purpose in 1974 to open the door of investment to all investors in implementation of the policy of opening up to the outside world and of encouraging investment in all spheres in order to enhance the national economy and to bring in and utilize foreign expertise. The planners are eager to provide a proper climate that encourages both the Arab and the foreign investor. This is embodied in a number of incentives guaranteed by the law for foreign investments. These incentives are summed up in the following:

- 1. The state has been careful to support the production projects operating in the spheres of agriculture, fishing, industry, and mining and quarries and has given such projects financial subsidies in the form of interest-free loans or grants which amount to a total of 135 million Omani riyals. This is in addition to the income tax exemption which the industrial projects enjoy.
- 2. The Ministry of Commerce and Industry has prepared economic feasibility studies on a number of projects out of its desire to offer additional facilities to the industrial projects.
- 3. There are the tax exemptions and benefits which the 1978 law for the regulation and encouragement of industry gives projects in which foreign capital may participate. The law states that "companies contributing to the development of the national economy and with a paid capital of more than 100,000 Omani riyals may be exempted from the income tax by decree of the minister of commerce and industry for a period of 5 years as of the date of their formation. The exemption period may be extended, provided that the extension does not exceed 5 more years."

- 4. Foreign investors can reduce the tax burden on the returns of money invested if their projects are set up in participation with national capital.
- 5. There is a 5-year exemption from the income tax on foreign investments if their activity is connected with industry, agriculture, and fishing.
- 6. There are tax exemptions that are given for national considerations in accordance with the sultan's Decree No 47 of 1981.

#### Foreign Trade

If we subject the sultanate's trade balance with the other countries to analysis, we will find that there are obvious manifestations:

First, there was a surplus in the trade balance in the period from 1971 to 1983. This is a healthy phenomenon because the sultanate can utilize the surplus to purchase capital goods for the enhancement of the development process.

Second, the sultanate's imports rose from 790.1 million Omani riyals in 1981 to 860.9 million Omani riyals in 1983. This increase is due to the country's rising standard of living and to increased consumption.

Third, the sultanate's oil exports increased considerably, rising from 87.6 million Omani riyals in 1971 to 1,346,600,000 Omani riyals in 1983, i.e., multiplying more than 15-fold. This is due to the increase in the price and quantity of exported oil.

Fourth, the sultanate has begun re-exporting a number of commodities. This is due to the economic prosperity and the completion of the country's infrastructure. The value of re-exported goods rose from nothing to 110 million Omani riyals in 1983.

Fifth, the value of non-oil exports rose from 0.4 million Omani riyals in 1971 to 10.7 million riyals in 1983, i.e., more than 26 times. This is due to the encouragement the government gives fishermen, farmers, and others.

Sixth, the non-oil exports rose from (28,898,000) tons of goods in 1982 to (36,112,000) tons of goods in 1983, i.e., more than 29.1 percent.

The value of non-oil exports amounted to 10,705,000 Omani riyals in 1983, growing by 37 percent over 1982. These exports consisted of fresh fruits and vegetables, dried dates, citrus fruits, fish, tobacco, flour, (al-mahas), and other goods.

It is worth noting that the sultanate was able in 1983-84 to export for the first time pure copper valued at 7 million Omani riyals. Fresh, dried, and frozen fish were the most important non-oil goods exported by the sultanate. In 1983, the sultanate exported 4,388,158 Omani riyals' worth of these goods, with the value of these exports tripling over 1979.

Seventh, the value of re-exported goods amounted 110,010,000 riyals in 1983, with a slight increase over 1982. The re-exported goods included foodstuffs, livestock, drinks, tobacco, mineral fuels, lubricants, chemicals, manufactured goods and equipment, transport machinery, and other products. The value of the transport machinery and equipment amounted to 70 percent of the total value of the re-exported goods in 1983.

The most important countries to which the sultanate exported its non-oil goods in 1983 were the UAE, Qatar, the Kingdom of Saudi Arabia, Bahrain, Kuwait, Iraq, India, Jordan, and other countries. As for the oil exports, we find that the countries purchasing Omani crude oil are Japan, the Netherlands, West Germany, Singapore, Taiwan, France, and other countries.

#### Imports

The value of the sultanate's imports in 1983 amounted to 860.9 million Omani riyals, with a drop of 7.06 percent from the value of the 1982 imports, which amounted to 926.5 million Omani riyals. This was due to several reasons, including the fact that the sultanate's imports of fuels and lubricants dropped in 1983 by 87.2 percent in comparison with 1982. This drop came about as a result of the fact that the Omani oil refinery for treating Omani crude in al-Fahl Port went into operation, thus making it possible to dispense with the importation of a number of oil byproducts. The sultanate's fuel and lubricant imports amounted to 93.9 million Omani riyals in 1982 whereas these imports dropped to 11.9 million Omani riyals in 1983. Food and drink imports constituted 12.6 percent of the total imports in 1983. We also find that fuel and lubricant imports constituted only 1.4 percent whereas manufactured imports amounted to 24.9 percent.

The imports of capital goods amounted to 18.6 percent, of transport equipment to 24.5 percent, of consumer goods to 14.4 percent, and of miscellaneous goods to 3.6 percent.

The most important countries from which the sultanate imported its commodity needs in 1983 were:

Japan	22	percent
United Kingdom	18.64	percent
UAE	17.54	percent
United States	7.72	percent
West Germany	7.32	percent
The Netherlands	3.35	percent
India	2.30	percent
France	2.13	percent
Italy	2.07	percent
Singapore	1.94	percent
Other countries	-	

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#### COUNTRY'S DEVELOPMENTS IN EDUCATION EXAMINED

London AL-TADAMUN in Arabic 9-15 Nov 85 p 63

[Article: "Sultan Qabus University To Open Its Doors in 1986; Total of 561 Schools Accommodating 196,000 Students in Sultanate of Oman"]

[Text] With the completion of the Second 5-year Plan which will end by the end of 1985, the Sultanate of Oman will have completed its educational plan and Sultan Qabus will have fulfilled his promise to provide a free education, at least in the elementary stage, for every Omani child. To implement this plan, more than 140 additional schools have been built in the various areas, especially in the sultanate's remote rural areas.

The education sector has undergone vast development in the past 15 years, with the work starting from near scratch. The number of schools has risen from just 3 elementary schools accommodating a total of 909 students and 20 mosque schools in 1969 to 561 elementary, preparatory, and secondary schools with a total of 196,000 students and 8,400 male and female teachers in 1985. With the end of the Second 5-year Plan by the end of 1985, the number of the sultanate's second schools will have risen to 38 boys and girls schools, in addition to a school specialized in science and technology, an agricultural high school, and 2 business schools for boys.

The Second 5-year Education Plan calls for creating the right conditions for keeping pace with the country's comprehensive development plan which seeks to train Omani generations that will meet the country's labor needs in the various economic, social, and administrative sectors.

In accordance with this plan, the Ministry of Education has begun implementing a pioneer experiment in the sphere of Omanizing the academic curricula in the various stages. This has required the preparation of the right textbooks that are derived form Oman's history, civilization, relations, and Islamic culture and from Omani society's customs and traditions.

Foremost among the ministry's interests is the training of Omani male and female teachers so that they may shoulder the responsibility of bringing up and educating the new Omani generations to contribute effectively to the building and development activities.

As of the current academic year, the male and female teachers' institutes have been turned into middle-level colleges, both in the capital and in the sultanate's other educational districts. These colleges replace the 3-year system which has been in operation in the male and female teachers' institutes and which is expected to be liquidated in the next 2 years. In accordance with the new system, the study period in these colleges is for 2 years after completion of a high school education. After the 2 years, the graduates will be given diplomas that will qualify them to continue their specialization, if they so wish, at Sultan Qabus University which is scheduled to open next year.

The ministry also devotes special attention to adult education and anti-illiteracy programs. The number of such centers is growing steadily, with the adult education centers numbering 181 and the illiteracy-eradication centers numbering 245.

The ministry has also set up an agricultural education center in the city of Nazwa. This center combines technical studies for 3 years with the training of Omani citizens, especially the sons of farmers.

The ministry has, furthermore, devoted attention to Islamic education and set up the Secondary Islamic Institute in al-Watiyah. The ministry also established two business schools for boys and girls.

The project to build Sultan Qabus University, currently under construction, is a turning point in the sultanate's educational policy because it will offer Omani youth the opportunity to specialize in vital spheres that contribute directly to enhancing the country's development while focusing at the same time on the Islamic culture and heritage and on Omani civilization.

Sultan Qabus announced the establishment of the university during the celebration of the 10th National Day anniversary in November 1980. He celebrated the occasion by laying the project's cornerstone after 2 years of study and preparation.

The university, scheduled to open in September 1986, will accommodate 3,000 male and female students and will include colleges for science, engineering, medicine, agriculture, education, and Islamic studies. It will also include a computer center which will offer its services in the educational sphere and a library containing books, magazines, and other periodicals and sophisticated data equipment such as microfilms and videotapes. The library can accommodate 420 persons at one time. There is the university's teaching hospital which is closely tied to the medical college and which has a capacity of 500 beds. The university premises will include housing for male and female students and for the faculty members and administrative personnel, a mosque, study halls, laboratories, and athletic grounds. The university's architectural design permits future expansion without affecting the university's basic structure.

The site chosen for the university is located in al-Khawd area of the capital and comprises 11.8 square km, costing nearly 280 million Omani riyals. In

building the university colleges, consideration has been given to the requirements of the development process, to serving the Omani society in all spheres, and to meeting the country's needs for expertise in the various spheres.

The Sultan Qabus University has an independent legal status and is supervised by two main agencies, namely the University Higher Council [no other agency mentioned]. Each of the university's colleges will also have its own council.

The university's academic year will be divided into 2 semesters, each 15 weeks long. English will be the main language of instruction in the university's technical disciplines.

Enrollment in the university will not be confined to high school graduates but will also include graduates of specialized secondary schools, such as agriculture and industry graduates.

On the other hand, 60 percent of the curricula and of the university's academic disciplines have been completed and approved by the project's constituent committee. A number of people on scholarships will also be sent abroad each year to obtain M.A. and Ph.D. degrees prior to joining the university's faculty. It is expected that the number on such scholarships will come to 80 by the time the university is opened in 1986.

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PALESTINIAN AFFAIRS

#### REPORT ON DIFFICULTIES IN RAFAH

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 2 Nov 85 pp 57-59

[Article: "The City of Rafah: Woes of a City Besieged by Hard Times"]

[Text] This coastal city, beautifully located on the Egyptian border and extending along the coast to the far south, is surrounded by refugee camps on all sides and only a small part of it is developed.

This city goes back to the Hyksos era. The Tal Za'rub area has ruins and tombs dating back to this era, but in view of the abundance of Egyptian antiquities, they did not catch the attention of the Egyptian government at the time. This area has ancient gold and glass pieces and coins.

#### Demography

The indigenous population comprises 25 percent of the present inhabitants and the other 75 percent is represented by surrounding refugee camps such as the Canada Camp, the Brazil Camp, the Tal Rafah Camp, and the Tal al-Sultan Camp. The indigenous population lives in the western and eastern part of the city where the areas of influence and land ownership are located. The refugees come from the villages and cities of Barbarh, Murrah, Kukiyah, and Lod, better known as the Green Line zone, and also from Haifa, Jaffa, and other Palestinian cities.

The 1984 census conducted by the municipal council shows that the city had 25,000 inhabitants and about 60,000 in various camps.

Housing Situation and Settlements Projects

The city of Rafah, unlike other Gaza Strip cities, used to be overpopulated. Housing used to be concentrated in an area no larger than 1,500 dunums. The average population of a village used to be 5-15 persons. Things have changed now due to the settlement projects. As for the city's civic development, it is made up of modest substandard buildings because of significantly low income levels. Most buildings are made out of cement and brick. Recently, however, the authorities put forth a number of settlement projects aimed at moving the inhabitants out of the city in order to resettle and disperse the population under the pretext of solving its problems. Several refugee settlement

projects have been submitted, particularly in the aftermath of problems and disturbances which have been on the rise since 1967. In an attempt to suppress this kind of movement and absorb popular wrath, the government has employed two clear tactics: an economic one through the creation of a workforce with a view to distracting the citizens from their main goal; and the psychological one, represented in hurling the people into the labor market to kill their spirit and drive. The most important projects are:

The first project is the resettlement of no less than 5,000 citizens in Jericho, the Negev, and al-'Arish, but a large number of them have returned to Rafah.

The second project is the Brazil Quarter project named after the Brazilian UN contingent which separated the Egyptians and Israelis. The quarter was later named the Brazil Camp, which is located southeast of Rafah. It has over 20,000 inhabitants and has new buildings and wide streets.

The "Zu'rub-Canada" project. This camp was first known as the Zu'rub project, named after former mayor Hilmi Zu'rub, but the inhabitants rejected this name and called it "Canada" after the Canadian unit which was stationed south of the camp. This camp is known for its shabby buildings and open sewers. It is still suffering the splintering effects of the recent agreements between the Egyptians and Israelis and the inhabitants are still demanding their return to the occupied territory.

The worst problem the inhabitants of this camp are facing are the restrictions the Egyptian authorities have imposed on their movements whereby they are not allowed to move around without a permit.

#### Tal al-Sultan Project

This project has been set up on government land. In 1980, the military governor of the strip ordered that Rafah notables, including lawyers, doctors and engineers, be invited to a party where they were given tracts of land to build on a part of a document signed by the guests without knowing its contents. All these projects appear to be good at first sight, but they hide in their folds dangerous dimensions. They aim to frustrate the inhabitants by offering them better homes or villas which they are eager to preserve in order to maintain their new status, thus neglecting their essential responsibilities. Add to that attempts to make the main problem at the camps disappear by creating alternatives with a view to putting an end to the conflict.

This project's buildings are all huge and luxurious and the streets are wide, but there is a severe shortage of services.

#### Available Services

#### 1. Electric Power

Rafah has one central station equipped with a regional current which supplies the camps and the city with power. This network extends to settlement projects to encourage the settlement process.

#### 2. Water Network

Water is supplied to all regions through a general network. Only a small portion is used for agriculture due to heavy reliance on private artesian wells.

#### 3. Telephone System

The city has an old telephone system, but the camps are limited to one phone set per camp because UNRWA has opposed the growth of this service in these camps, thus making it difficult for the inhabitants crammed into this area.

#### 4. Health Units

Rafah lacks public and private hospitals. It has private doctor's offices and a clinic, but these are not enough to meet health needs there. Therefore, these areas suffer from endemic diseases and epidemics and people are forced to go to Khan Yunis for treatment.

#### 5. Streets and Sewers

There is only one street that runs through the city, Commercial Market Street. It is a good, orderly street, but most other roads are unpaved and full of sand and dirt which makes them dusty in summer and muddy in winter, thus causing the inhabitants great hardship.

On the other hand, the sewage system is very poor. There is unfortunate sight of open sewers running through the city and the camps and the millions of flies, insects, and mosquitoes swarming over these sewers cause diseases and epidemics.

#### Economic Resources

The city of Rafah and its camps depend on fishing, agriculture, and labor.

#### 1. Agriculture

Rafah inhabitants grow citrus fruit of all kinds, such as oranges, lemons, and tangerines, which are exported in huge quantities. They also grow vegetables such as cabbages, tomatoes, cauliflower, and cucumbers, which are exported as well, and dates. One official said that the area cultivates 8,000 dunums, but agriculture faces a chronic problem brought about by the authorities who in one year allow the export of one variety of oranges while banning it the

following year, thus discouraging its cultivation or prompting people to pull the trees out and replace them with a more desirable crop such as vegetables.

# 2. Fishing

This area has a considerable number of fishermen. One person who works in this field said that Rafah fish is plentiful because it intermixed with Egyptian fish. The area used to be a good fishing place which brought in a high income. Nowadays, however, the authorities have restricted the fishing areas for security and economic reasons. In the past, the fishing zone used to extend to Port Sa'id, but nowadays it is limited to 40 km and the fishing time is confined to only 24 hours. If a fisherman is late even an hour, his boat is confiscated, his license revoke, and he is brought to trial before a military tribunal.

Fishermen, moreover, face another problem, which is the 18 percent tax they have to pay on their production. This tax is collected by inspectors who follow the fishermen daily or else the market is struck and the goods do not move, thus forcing fishermen to stop working.

One fisherman said that they face difficulties in obtaining a license because of taxes and customs fees imposed by the authorities. Furthermore, the sea is closed to all at the outbreak of any problem, causing harm to a large sector of society, namely the fishermen's families and the consumers who have to pay higher prices as a result.

The Rafah fishermen are subject to inspection more than others, which hampers the production process.

## 3. Labor Sector

This sector in Rafah is divided into three parts whereby ablebodied inhabitants work in three fields:

- A. Israeli projects, which employ 50 percent of the labor force.
- B. Businesses, which employ 20 percent of the labor force.
- C. Abroad, where 10 percent are employed.

The other 20 percent are unemployed.

#### 4. Animal Resources

There is no doubt that the inhabitants are deeply involved in raising cattle. Families living outside the city in grazing areas raise cows and sheep in great numbers. One official in this field said that Rafah produces 70 percent of the cattle found in the Strip.

## Housing Situation

The city of Rafah represents a considerable confluence of people. Some scientists and experts in local administration agree that, based on the area's population, Rafah could be considered a city. But looking at it from another angle, namely building and construction, it does not qualify as such because all its buildings are modest and overcrowded and there is only one street which runs through the city and is crowded with a simple stores and small shops. As for the camps, they have modest buildings, some of which are substandard or, in other words, are dilapidated and unhealthy and lack health facilities.

Public streets are wide, but private alloys are no wider than 1 meter. High-class areas fare better, however, because they are subject to government zoning. A Gaza University student told us that the housing situation in the city and camps is extremely bad because over 60 percent of the homes lack health services and buildings are so badly cracked that they are on the verge of collapse.

#### Educational Situation

We have already mentioned that we are a productive and ambitious people owing to the bad times we have had to endure. We rely on Education as the basic weapon and the structural unit on which to base our principles for improving and developing our deteriorating conditions. But due to bad economic conditions and a high number of oppressed people in that area, we have arrived at a tangible result, which is the high rate of unemployment. One municipal council member told us that the city's schools lacked good management and dedication, in addition to official indifference in this regard. This phenomenon has been attributed to low teacher salaries.

The city has several schools of all levels for both sexes. As for education in the camps, one teacher pointed out that there is a big difference between the educational level in the city and the camps due to higher salaries received by UNRWA teachers. The average salary in the camps is between 150-220 dinars, which is four times the salary commanded by government teachers. The camps have schools ranging from elementary to the high school levels sponsored by UNRWA. All the school buildings are constructed out of cement and asbestos roofs and get their electricity and water from the municipal authority in the city.

Al-Najah University lecturer Ahmad Abu 'Ubayd told us that the rate of university graduates is not encouraging. While there is a large number of graduate degrees, the situation has not reached the desired level yet.

# Local Representation and Problems

The city has a municipal council founded before 1967. Its members were appointed by the government and, up to this day, the position of mayor has been hereditary and confined to the Zu'rub family. This council does not meet its responsibilities as it should, for the city lacks the most basic services.

As for the camps, each neighborhood has its own chief who takes care of people's affairs.

However, there is much dissatisfaction and discontent among the people, and municipal services are severely flawed. Ahmad Abu 'Ubayd pointed out that a municipal council anywhere must have qualified and dedicated members running its affairs. He believes that Rafah lacks health facilities and has a large number of unpaved roads in the heart of the city. It also lacks youth athletic and cultural centers.

Citizen Muhammad Ziyadah, who lives in the border area with Egypt, summed up the people's problems there in the lack of local council services. Residents suffer from home flooding brought on by the excavations which took place when the borders were being drawn.

Residents have contacted officials in this regard, but to no avail. The solution put forth by the military governor was the resettlement of over 1,000 residents in al-Dahinah area, but the people rejected this solution and the problem is still pending.

Citizen Muhammad 'Awadallah, a Gaza University student, said that the problem lies in the attitude of municipal council officials because the appointment process is a clear image of injustice and oppression. The city still suffers from tribal and sectarian problems whereby officials can halt work in a certain area because of family feuds between residents and municipal council officials, thus depriving the other camp residents of certain essential services, and appropriations find their way to unknown pockets. Therefore, our only hope is that conscientious elements will come to the aid of people's interests, the public interest particularly.

Ambitions of City and Camp Dwellers

Ahmad Abu 'Ubayd talked about a severe shortage of health services, saying it is necessary to have a hospital to take care of health needs, instead of relying on Khan Yunis or Gaza for medical treatment in view of the plan to move the Khan Yunis hospital to Gaza. He added that the area has been deprived of badly needed charitable organizations, and, therefore, the hope is to find dedicated people to take care of the people's needs and look after their interests.

With regard to the camps, many residents pointed to the shortage of mosques, giving as an example the Tal al-Sultan residential area where the authorities refuse to allow residents to complete the construction of a mosque for reasons unknown. Add to that the need for cultural and athletic clubs. All the inhabitants want is sincere and constructive action toward improving their lot and surmounting their problems in order to live a decent life.

12502/13068 CS0:4404/119

OATAR

## ACHIEVEMENTS FOR 1985 IN MAJOR AREAS DETAILED

Doha AL-'ARAB in Arabic 29 Oct 85 p 4

[Article: "The Domestic Accomplishments of the Nation in All Areas for 1985"]

[Text] Yesterday the General Secretariat of the Council of Ministers issued a report concerning the nation's domestic accomplishments in all areas during the year 1405 A.H. (1985). The occasion for this was the inauguration ceremony for the holding of the 14th session of the Consultative Council which was presided over by His Highness Shaykh Khalifah ibn Hamad Al Thani Amir of Qatar. The following is an account of some of these achievements.

# Industry

After the decrease in production experienced by the Qatar Iron and Steel Company, Ltd. (Qasco) in 1983 which was caused by the necessity of carrying out annual repair and maintenance work during the course of that year, production figures began to rise last year. In fact, they reached new record levels in the areas of production of porous iron and reinforcing bars, and surpassed the previous records that had been set after the company had begun operations in 1978.

Total porous iron production during the last Christian calendar year was 501,068 tons, with a 125 percent utilization rate of the design capacity, and total production of reinforcing bars was 475,422 tons.

Ammonia and urea production by the Qatar Chemical Fertilizers Company (Qafco) last year also reached record levels.

The petrochemicals plant experienced a noticeable degree of development during 1984 because of the increase in production of supply gas rich in ethane which the Qatar Petrochemicals Company, Ltd. (Qapco) had suffered a shortage of during previous years. Last year total production of ethylene was 204,600 metric tons, with the utilization rate of the design capacity being 72 percent. Polyethylene production was 149,571 metric tons, with the utilization rate being 107 percent, and production of sulphur was 33,209 metric tons, with the utilization rate being 72 percent.

There was a slight increase in the annual production rate last year by the liquefied gas plants, as compared with the previous year. Propane production was 407,220 metric tons, with the utilization rate of the design capacity being 66 percent. Also, butane production amounted to 282,665 metric tons, with the utilization rate of the design capacity being 62 percent, and natural gasoline production was 224,803 metric tons, with the utilization rate being 58 percent.

After a new unit was set up for the pulverization of raw materials in the cement plant in order to eliminate the shortage suffered by the Qatar National Cement Manufacturing Company as far as the requirements of raw materials for its furnaces were concerned, production increased to nearly 100,000 tons.

# Agriculture

As for agriculture, according to the Central Statistics Office, vegetable production in Qatar last year totalled more than 16,000 tons, red meat and poultry meat production amounted to about 3,400 tons, green fodder production was about 48,000 tons, fish production totalled more than 3,000 tons, production of fruits and dates was more than 8,000 tons, and about 10 million eggs were produced.

According to statistics, the agricultural production rate last year was a record high of 150 percent, as compared with 133 percent the previous year.

Among the projects which began to be implemented were the projects involving the establishment of the Qatar Arab Poultry Production Company, which has the objective of meeting the increasing requirements of the nation's inhabitants for poultry meats and eggs, and the Qatar Dairy Production Company in the al-Rukayyah area in the southern part of the country.

# Education

The various elements and aspects of the educational process in Qatar continue to experience rapid development and progress. The number of students in Qatar's day schools is now 49,357, and this represents an increase of 2,072 students, or 4.38 percent, over last year. The total number of females among these students was 23,964, or 48.55 percent.

This year the number of students graduating from the various programs of Qatar's secondary schools and universities totalled 2,739. Of this total, 1,739 were Qataris. The number of students studying various subjects in the University of Qatar totalled 4,621, and of this total 2,822 were female students. In addition to this, a total of 1,155 students had been sent on study missions abroad in foreign universities and institutes.

The number of persons attending evening schools was 8,072, and they were studying at 62 different centers and schools in most of the towns and villages of Qatar. The total number of students at both Arab and foreign

private schools was 13,050, and they were studying at 48 schools which are under the supervision of the Ministry [of Education]. Also, the number of employees in the Ministry of Education increased 2.13 percent and reached a total of 5,736--120 more than the previous year.

# University Activity

Last year represented another landmark in the history of the University of Qatar when His Highness Shaykh Khalifah ibn Hamad Al Thani, Amir of Qatar, inaugurated some new buildings which combine marvelous Islamic architecture with the ability to meet the requirements of modern times.

The number of regular students in the various schools and departments of the University of Qatar during the last academic year was 4,624, and Qataris represented 70.8 percent of this total. The number of members of the faculty holding PhD diplomas was 223, including 18 Qataris. Also, there were 37 Qatari assistant professors holding master's degree diplomas, in addition to 18 male and 70 female teaching assistants.

Since the University of Qatar was founded 12 years ago, 3,992 persons have graduated from it, and they are now working both in Qatar and abroad in various fields of production and intellectual activity.

# Social and Community Services

As far as social and community services are concerned, let us first take a look at the field of social training and preparation, in particular the realms of providing vocational training for women. Last year saw the graduation of the third class to graduate from the Social Training and Preparation Center in Doha and the graduation of the second classes to graduate from the two centers in al-Khawr and al-Shamal. Furthermore, exhibits were held in order to display and market the products made by the graduating students. As we know, these centers run programs which provide training in the fields of sewing, embroidering, making handicrafts, and home economics. The courses of study last 2 years, after which trainees receive a diploma qualifying them to work in any sewing and embroidery workshop.

With regard to the field of low-cost housing, 398 low-cost housing units and 161 free housing units were distributed to residents last year. Also, a total of 635 housing units are under construction and will be distributed to residents in the near future.

As far as the area of social insurance and the provision of aid and assistance to the needy is concerned, the number of cases covered by the Social Insurance Law last year was 7,050, and this included disabled persons, widows, divorced women, orphans, and handicapped persons.

Construction projects being implemented include prefabricated low-cost housing units in al-Shahaniyah, al-Manasir, and various other areas, the central post office building, the new maternity hospital, additions to the

al-Khawr hospital, the artificial kidney unit in the Hamad General Hospital, additions to the Police Training Academy, a police station in the central shopping area, a police and fire station in both al-Khawr and the town of al-Shamal, the police workshops (Phase Three), the weather observation maintenance unit building, 9 schools in and around Doha, inside porch areas for 15 schools, classrooms for 9 schools, and 15 projects on the naval and air bases at Doha and numerous other projects.

There are also other projects currently being implemented and projects which will begin to be implemented in the near future. They include Mushayrib Street, the al-Mana'i circular road tunnel, al-Rayyan Street, linkage of the Fourth Ring Road with Water Reservior Road, renewal of the al-Muntazah [Park] projects, al-Rayyan Street in the east and west, al-Rayyan Street 10 (Phase Two), Muraykh Road Number 20, al-Sayliyah Road (Phase One), al-Dhakhirah Road (Phase One), and pavement of the northern al-Khawr Road, the main road to the town of al-Shamal, and the Fourth Ring Road which leads to the central shopping area complex.

#### Public Health

As for the field of public health, last year a health center was opened up in al-'Asayri, and this represents an addition to the already existing health centers in the country which provide our citizens with the health services which they require. Preparations are also under way to open up another health center soon in Umm Salal. This health center, in addition to providing regular health services, will have a unit which provides first aid for persons who have been in accidents on the roads in the northern area of the country. A health center will also soon be opened in al-(Dafnah), and another one is also being constructed in Sudanthil. In addition to this, the al-Khawr hospital is being expanded with the addition of divisions which will deal with natural childbirths, emergency cases, dentistry, and women's diseases. There is also a project involving the construction of two health centers in the industrial area and the old airport area.

## International Contacts

As far as international contacts are concerned, there has been in increase in the number of business offices and in the number of locations and nations with which Qatar maintains direct telephone and telex communications. Also, new means have been found to link Qatar to other nations of the world such as the undersea cable, the Doha 2 earth satellite station, and the microwave line of communication between Qatar and Saudi Arabia.

Work is currently under way on the project to construct the earth satellite station which will provide communications via the Arab-Sat satellite, and this work is expected to be finished next May. When this station has been finished, it will be possible to easily transmit telephone, telegraph, and telex communications as well as TV programs from Qatar to various other Arab countries and vice-versa.

In the field of utilization of wireless frequencies and equipment, a system has been put into use which was developed to receive frequencies and detect problems involving harmful interference. This has been helpful in the area of designating, for users, telephone frequencies which are free of interference.

In the realm of postal services, a post office has been opened up in the old airport area and there has been expansion in the first-class mail and electronic mail services between Qatar and more Arab and foreign nations. Also, it is anticipated that the public post office in the West Bay area (al-(Dafnah)) will be inaugurated during the next Christian calendar year. It will be equipped with apparatuses for automatic mail sorting, and most of its divisions will utilize computers.

As far as the ports are concerned, a maritime refrigeration unit with a total capacity of 500 tons has been put into operation and a study has been prepared which deals with improving the efficiency of navigational aids including lighthouses and guidance buoys for ships.

## Electric Power

In the field of electric power, the following has been accomplished. Work has been completed on the contract job dealing with the land and sea survey for the location of the new electric power and water desalinization plant which is to be constructed in the al-Wusayl area. The basic accomplishments of the first phase of this project include four steam-driven power-generating units, the output of each of which will be 150 megawatts, and eight water desalinization units. The total production capacity of the plant will be 1,500 megawatts of electricity and 100 million gallons of water per day. This will take care of the nation's electricity and water requirements till the early part of the 21st century.

In the field of electric power transmission and transformers, the following has been done. Two contracts have been signed with specialized international firms which will carry out necessary expansions in the electricity transmission network in order that Qatar deal with the increase in electrical capacity resulting during the period following the completion of phase three projects involving the development of the electricity network. The principal things which will be accomplished in accordance with the two contracts are the expansion of the al-Khawr, Umm Salal, Margab al-Rimth, and Doha plants, the modification of the Fariq ibn 'Amran, al-Wajbah, Ra's Abu Fintas, al-(Sahlah), and Umm al-Afa'i plants, and the construction of new plants in al-Samiriyah and Abu Nakhlah. There will also be the construction of an above-ground power line--about 6 kilometers long and with a voltage of 132 kilovolts--for the purpose of linking the Abu Nakhlah plant to the electricity network, and there will be the construction of an above-ground power line--17 kilometers long and with a voltage of 66 kilovolts--for the purpose of linking the al-Samiriyah plant to the al-Wajbah plant.

#### Informational Media

Concerning the realm of informational media, one can say that the Qatari informational media organizations have been keeping in the will the general progress experienced by the nation. As expected, the Qatari media have worked on developing their technical equipment and apparatuse of the programs.

In the field of radio broadcasting, there has been inaugurated a French division along with the creation of a special library for the French broadcast. Also, a network of antennas for short wave broadcasting has been assembled at the al-Khisah transmitting station. Farth merro, at the present time a number of projects are being implemented, the most important of which is the short wave transmission center in al-'Arish which, with the help of the al-Khisah center, will be able to transmit broadcasts to large and distant areas throughout the world.

Among the future radio broadcasting projects are the renewation of studio 4 in the second studio building in order to provide modern equipment for the broadcasts oriented toward the masses and the Urdu broadcast, maintenance and renovation of the second broadcast building, and the Project involving the setting up of a powerful 30-kilowatt transmitter (4) at the al-Jumayliyah transmission station.

In the field of television, Qatar's TV station has been newly supplied with portable microwave equipment of various frequencies, video-tape facilities, a special portable recorder for external sound recordings, a transformer which converts from the SECAM system to the PAL system and vice-versa, movie montage equipment of various scales and dimensions, etc.

As for the field of printed publications, the Printing and Publication Office has published numerous books, maps, pictures, and posters, has promoted various events in the nation by means of informational campaigns. Affect out in various Gulf, Arab, and foreign newspapers, and has served as host for numerous prominent Arab and foreign journalists in order to inform them about the progress and development taking place in Qatar.

The Qatar News Agency has signed a number of agreements in the realm of cooperation in the area of gathering news with various international and foreign news agencies, has participated in different conferences and symposiums, and has covered events with record speed, particularly those which occurred in the Gulf area and the Arab world. It is also going to introduce a microfilm system in the writing and editing division and is going to develop the practice of writing and editing on word-processor screens. Furthermore, there will be an increase in the number of the new electronic units for receiving news sent by Arab and international news agencies so that it will be possible to receive news from 3 to agencies.

There was also considerable cultural activity that went on last year. It included poetry evenings at which numerous poets read their works, educational lectures, symposiums dealing with the heritage of the Qatari people, various book and fine arts exhibits both in Qatar and abroad, the holding of numerous festive events, the hosting of popular song and dance troups, and the presentation of numerous plays both by various local drama groups and such groups from other Arab Gulf and foreign nations.

# Municipal Affairs

As for the realm of municipal affairs, the following was accomplished last year. The Public Airport Park was opened up, the last two stages of the work done on the al-Muntazah Park were completed, and three public parks were completed in the southern part of the town of Khalifah, Fariq ibn 'Amran, and al-Hitmi. The future will see the implementation of the al-Kurnish Park project in order to develop the area adjacent to the Qatar National Museum as well as the project involving five other public parks. One of these parks will be in the northern part of the town of Khalifah, one will be at the circular road near the public library, two parks will be in the town of al-Khalifat, and one will be in the dam area.

The [missing word] department has been put into operation at the organic fertilizer plant at al-Nu'ayjah whose production capacity now totals 300 tons per day, and the garbage compressing and transporting plant, with a capacity of 20 tons per hour, has also been put into operation.

Another project being implemented is the one involving the construction of an inexpensive coffeehouse in the dam area. This coffeehouse is one of three which will be constructed in the Doha area. Also, some public baths are being put up in various areas of the capital city. Other projects intended to be implemented in the future are the construction of two Khamis [Thursday] shopping areas where used goods and merchandise will be bought and sold, the construction of five multistoried car parking structures in various locations in Doha, the construction of the Nijadah [upholstery] shopping area complex, and the beautification of various areas of Doha, including the West Bay area (al-(Dafnah)).

## Religious Affairs

In the realm of construction of buildings for religious purposes, the following mosques have been completed and opened—the Fariq al-Sudan mosque, the industrial area mosque, the Fariq al-Mawalik mosque in the new al-Rayyan area, and seven mosques in the areas of al-Ghanim al-Jadid, Abu Hamur, Dukhan Road, Musay'id, and al-Rayyan al-Jadid. In addition to the above, ll mosques were constructed, using donated funds, in the following areas—al-Rayyan al-Jadid, the area south of al-Hilal Street, the old airport, the West Bay, Laqtah, al-'Aziziyah, al-Markhiyah, the southern al-Wakrah area, al-Wukayr, Mu'aydhir, and al-Shahaniyah.

Furthermore, maintenance work has been done at the Grand Mosque in Doha and new additions to it have been constructed, construction design work has been completed for 11 mosques of various types, the contract has been concluded for the construction of a mosque and institute for imams and preachers in Fariq ibn 'Amran, and some international firms have been invited to submit bids for the designing of the 'Ali ibn Abi Talib mosque in the West Bay area (al-(Dafnah)).

In the realm of religious education materials, the following has been done. We have seen the printing of 30,000 copies of the Qur'an (Ottoman format), the publication of Kitab al-Talaq al-Sunni wa al-Bid'i [the Book of Sunni and Heretical Divorce] by Shaykh 'Abdallah ibn Zayd Al Mahmud, chief judge of the Islamic law courts and head of religious affairs, the publication of Kitab Tahrir al-Ahkam fi Tadbir Ahl al-Islam [the Book of Rulings for Determining the Affairs of Muslims] by Ibn Jama'ah, the publication of the eighth, ninth, and tenth versions of Kitab al-Ummah [the Book of the Nation], and the distribution of 35,000 copies of the Qur'an and Islamic books to the Qatari embassies and waqf and Islamic affairs ministries in the Arab world and a large number of Islamic associations, centers, institutions, and prominent personalities throughout the world.

The following things are expected to be accomplished during the upcoming year of 1406 A.H. [1986]—completion of the construction of 9 mosques in various areas of the country as well as 14 other mosques in other areas of Qatar which are being constructed using donated funds, the construction of mosques in Doha's athletic clubs, initiation of the construction of 17 mosques in numerous areas of the country, and completion of the consultant work to be done in connection with the 'Uthman ibn 'Affan mosque in the al-'Asayri area which is to serve as the prototype for large central mosques [where public prayer is performed on Fridays].

9468

CSO: 4404/66

# WHEAT POLICY, PRICE DEFENDED

Paris AL-MUSTAQBAL in Arabic 16 Nov 85 p 46

[Text] Once again attention has been focused on Saudi Arabia's experience in the agricultural field, especially wheat production. Last year it actually achieved self-sufficiency and more in wheat production, since it was up to 1.4 million tons, or double the production of the 1984 season.

The credit for that goes to the government's offering subsidies and technical assistance to farmers, along with an incentive price of about 2 riyals per kg compared to 0.3 riyals, the world price per kg of wheat; in other words, six times the world price.

The phenomenon of the expansion in wheat production has now begun to fade, and it is said that the government has begun to limit this expansion, fearing that production would exceed the needs of Saudi society. In spite of that, agricultural expansion in other fields is continuing, since agriculture is the lot of the Saudis, and there is a wide-open field for it in the kingdom, since the area that can be cultivated is estimated at more than 3 million hectares, or more than three times the area of Lebanon.

The Kingdom not only succeeded in growing wheat but also achieved record figures in the huge amount produced. According to what the chairman of the board of an agricultural company said, it has been possible to get 6.7 tons per hectare, while Holland, the holder of the world record, has not yet harvested more than 5 tons per hectare. The credit for that of course goes not to the fertility of Saudi soil but to the following very modern methods of planting and irrigation, which for the most part is sprinkler irrigation. As for wheat in Holland, America, and other places, it depends on rainfall. From that we can tell that the cost of growing wheat in Saudi Arabia is higher than elsewhere, so if the government bought wheat at the world price, no one would grow wheat.

International circles have criticized Saudi Arabia for paying this unreasonable price. Some have even gone so far as to demand that the government lift its wheat supports, as American Secretary of Agriculture John Block did, offering better American wheat at lower prices. The Saudi reply was total rejection.

Saudi officials have a very different point of view of their wheat policy, one that is reasonable for the most part and which can be summarized as follows:

- 1. Wheat is a strategic commodity, exactly like oil but more important. In the past, Saudi Arabia heard words from American Vice President Mondale in the late seventies to the effect that America would impose an embargo on the Arabs, a wheat embargo, if the Arabs imposed an oil embargo.
- 2. The world price of wheat has varied in previous years between \$200 and \$117 per ton, depending on its abundance. However, one cannot compare the world price to the Saudi price; one can only compare the cost of producing it to the Saudi price.

It is well known that the governments, from the American government to the Argentinian, support the price of exported wheat, and over and above that they give farmers large material incentives, such as low-interest loans, free seed, fertilizer, and other things. Thus, the cost of production is in fact twice the world price, and thus Saudi wheat is three times more expensive than American wheat, but no more.

- 3. The Saudi government pays this price, and in return achieves self-sufficiency in wheat, an expansion of the cultivated area in the countryside in general, job opportunities, and good utilization of resources, in addition of course to saving at least \$300 million a year that it would have paid in foreign currency for wheat. In addition to that, the Saudi government offers the wheat to consumers at subsidized prices, and when it is cultivated, it offers subsidies for wheat in riyals and not dollars, as is the case when it is imported, and therein lies its importance.
- 4. If Saudi Arabia did not encourage agriculture in general, and wheat in particular, it would have to create tens of thousands of job opportunities for those now working in agriculture. Most of those opportunities would be in government administration, which would increase the burden on the government's administrative costs. In addition, a failure to develop the countryside would cause the rural population to emigrate to the cities, enlarging them and forcing billions of riyals to be spend on expanding facilities and other things.
- 5. European countries and the United States set aside huge amounts for agricultural production, whether wheat, sugar, butter, milk, eggs, or meat, so why do they not reproach themselves for that "excessive expenditure"?

However, this does not mean that arriculture in Saudi Arabia is without problems. It is well known that wheat impoverishes the soil, so there are some experts who are calling for a crop rotation system in Saudi Arabia, whereby wheat would be alternated with other seasons on the land, so that the soil would not be overburdened.

Saudi Arabia's successful experience, especially in its social and productive dimensions, has turned the kingdom into an agriculture country, after it had been described as a desert country in its entirety, Then, and this is the

most important thing, productive values have been established, and the fearful rush toward trade, services, and public sector jobs has been eased.

This success has prompted Jordan to plant a large amount of wheat in order to achieve self-sufficiency, and the Jordanian government has recently set up an incentive price which is twice the world price of wheat.

12547/13068 CSO: 4404/120

# PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

# NGPF CRITICAL ANALYSIS OF YSP PROGRAM

Cairo AL-WAHDAH in Arabic 15 Sep 85 pp 4-7

[Article: "National Grouping in a Memo to Arab and Islamic Countries Comments on YSP Working Paper; The Paper Did Not Mention Islamic Doctrine or Pan-Arab Affiliation"]

[Text] The general secretariat of the National Grouping of Patriotic Forces [NGPF] in South Yemen sent a memo to the Arab and Islamic countries and to the secretary general of the conference and the president of the Islamic World League, Shaykh 'Abd-al-'Aziz 'Abdallah Ibn Baz, chief of the departments of scientific research, Islamic Call and Guidance in Saudi Arabia. The memo contained a number of observations on the working paper which the Yemeni Socialist Party [YSP] prepared and which contained Marxist analyses.

The general secretariat's observations included all seven sections of the working paper, focusing on cautioning the Islamic and Arab countries to reject the YSP's working paper which was devoid of any reference to Islamic doctrine whatsoever and which ignored any reference to Islamic or Arab affiliation or any mention of Arab and Islamic civilization.

The NGPF memorandum described in detail the contents of the working paper which included party issues, ideological issues, economic questions, social relations, party-government relations, Yemeni-Yemeni relations, and international and Arab foreign policy.

In view of the memorandum's importance, and stemming from the NGPF's conviction that all Yemeni citizens, inside and outside the country, and Arab and Islamic public opinion must be made aware of it, we decided to publish it in order to present the full picture, especially since this working paper is considered a political, ideological, economic, social, and cultural working program for the YSP in Aden between the third conference to be held in October 1985 and the fourth conference, the date of which will be determined later. Until the party's fourth conference, all economic, social, ideological, and cultural measures and all political positions and changes will emanate from the principles of this paper.

The following is the full text of the memorandum and the observations of the NGPF in South Yemen:

A number of resolutive committee members, the NGPF Council, and some leading cadres met to study and discuss the working paper of the YSP in Aden. Following the discussions, they all agreed on the following observations:

Before going into the observations in detail, it is necessary to make the following general observations concerning the paper.

## I. General Observations

- 1. The paper is devoid of spirituality and does not make any reference to Islamic doctrine. This reflects the Marxist regime's disregard for the feelings of our Muslim Arab Yemeni people and demonstrates their adherence to atheistic principles.
- 2. There is no mention whatsoever of pan-Arab affiliation. This robs the young people of their feeling and sense of pan-Arab belonging. It also makes no reference to Arab and I lamic civilization or its glories or future or to the regime's bond to it or its readiness to take part in the arduous struggle for the sake of its unity for the effacement of its negative aspects and for the restoration of its glories.
- 3. All the sections demonstrate that the analyses and expressions stem from a specific philosophical perspective, namely the Marxist-Leninist scientific socialist ideology.
- 4. All analyses of the social and historical reality are atheistic, materialistic analyses our material our Yemeni society.
- 5. Throughout all the sections of the paper, the regime considers all Arab regimes as being in the grip of neocolonialism, portraying itself as the only one which has preserved its national independence. This is a blatant incitement of Arab peoples against their national regimes.
- 6. All expressions and analyses contained in the paper emphasize the importance of international affiliation and alienation from Islamic Arab national affiliations. They also underscore a strategic conviction and partiality against this affiliation, especially with regard to the Soviet Union.
- 7. It was noted that those who prepared the paper are not Yemenis and have nothing to do with Yemen's reality. None of the class classifications of social rights mentioned in the paper exists in our Yemeni society.
- 8. All the interpretations and analyses of the various actions mentioned in the paper, including party, ideological, economic, and social activities, in addition to government power and Yemeni-Yemeni, Arab, and international relations, stem from the Marxist concept of how these matters must be pursued.
- 9. All expressions and ideas mentioned in all the sections serve and underscore the importance and necessity of a party dictatorship in pursuing all the various political, economic, and social activities. They also emphasize party autocracy.

- 10. They embrace Marxist-Leninist scientific socialism as the YSP's ideology in South Yemen or guiding light in all its activities and both its internal and external political, economic, social, and cultural pursuits.
- 11. This paper is considered a political, ideological, economic, social, and cultural working program for the YSP in Aden between its third conference, to be held in October 1985, and its fourth conference, which will take place at a later date. Until the party's fourth conference, all economic, social, ideological, and cultural measures and political changes and positions will stem from the principles of this paper.

## II. Detailed Observations

This paper is divided into seven sections, as follows:

Section 1: Party issues

Section 2: Ideological aspects

Section 3: Economic issues

Section 4: Social relations

Section 5: The party's understanding of power

Section 6: Yemeni-Yemeni relations

Section 7: International and Arab foreign policy

Observations on Sections:

## I. Party Issues

- 1. The paper affirms the single nature of political action in South Yemen and the rejection of any other democratic national political activity. It affirms the YSP's monopoly on such activity in contradiction to the democratic concept of freedom of political activity as a natural human right in political participation.
- 2. The paper attempts to force the people to join the party by making them feel that no one can get anything without allegiance to the party so as to replace loyalty to national interests with loyalty to party interests.
- 3. The paper imposes Marxist theory as the party's ideology and coerces the people into submitting to it.
- 4. The paper refers to some of the party's shortcomings as a prelude and excuse for the physical and political liquidation of some leading and grass-roots party and national elements under the slogan of uprooting the party and eliminating tribalism and paralysis, especially as it pertains to the remnants of the war of liberation phase, to be replaced by party elements who have

undergone methodical training in Marxist thought and have grown in numbers owing to their training abroad or in party schools in South Yemen. This is the basis and the goal of the intentional conflict within the party.

# II. Ideological Aspects

- 1. The paper emphasizes espousing Marxism-Leninism as the party's ideology and a prerequisite for party membership.
- 2. The paper analyzes social reality on an atheistic, materialistic basis which disregards our Arab and Yemeni social reality at the expense of our Islamic doctrine and our spiritual, national, and pan-Arab values.
- 3. The paper fabricates and kindles social conflict between social classes and forces that do not exist in our society.
- 4. The paper fails to implant democratic concepts and convictions to solve social conflicts to the same extent as inciting one group against another and solving problems through suppression and official terrorism.
- 5. The paper fails to mention Islamic doctrines, spiritual values, and Arab glories as an intellectual and cultural backdrop.
- 6. The paper views national, Arab, and Islamic affiliations as reactionary and bourgeois values which must be wiped out.
- 7. The paper views Arab regimes as being under the influence of neocolonialism and the Marxist regime in South Yemen as the liberated and independent regime in the area. This is an open incitement to the area's peoples against their regimes and a falsification of the tangible reality. It means that the regime has fallen under the influence of and has declared its alignment with foreign forces, the socialist bloc led by the USSR in particular.

### III. Economic Issues

- 1. It is evident that the regime is proceeding in the direction of greater domination and a more widespread role by the government and economic institutions of various orientations. It is also headed for public ownership of all the means of production, which means that it is oriented toward the kind of state capitalism that exploits the people's efforts.
- 2. The paper fails to mention personal incentives in ownership and production and its role in raising the standard of living of individuals and of society as a whole.
- 3. The paper fails to mention that the regime has failed to provide opportunities for national indigenous and expatriate capital to contribute to the development process to the same extent as it underscores the stifling of the public sector's role in this domain.

- 4. The paper attributes agricultural failures to national disacters and fails to admit that this deficiency was due to the failure to give farmers the freedom to own land, cultivate, and market at home and alread and to the mismanagement of agricultural cooperatives where officials steal and procrastinate every day in processing products due to the absence of personal incentives and to their impersonal attitude.
- 5. The paper does not mention the failure of volunteer cooperative road, electricity, water, and state resources projects to deal with this kind of development activity.

The paper fails to mention the source of per-capita income and the role prayed by the money emigrants send to their families in the rise in per-capita income, for the rise is not due to socially productive work.

- 7. The paper fails to mention the great role emigrant remittances play in maintaining the balance of payments in favor of the existing regime in South Yemen. The volume of their money transfers in hard currency is well above the need for importation, thus maintaining the value of the local currency.
- 8. The paper fails to make a comparison between agricultural and fish production before and after the establishment of cooperatives. Agricultural and fish production used to meet market demand and have a surplus for export.
- 9. The paper states that about half a million people are employed, but it does not show how they are distributed or whether they are production forces or whether most of them are consumer forces in government departments, the army, or the security forces.
- 10. The paper fails to elucidate whether investments are being financed through loans--and if so, the paper fails to mention the terms of such loans--or through national production.
- 11. The paper does not mention the amounts, sources, or terms of payment of such loans. It only refers to Soviet loans, thus confirming that our people's will is a pawn in Soviet hands. It fails to mention as well that over 75 percent of such loans are spent on salaries, allowances, and wages for foreign advisors and technicians and on outdated equipment which finds its way to the warehouses because it has become obsolete.
- 12. The paper fails to mention the negative aspects of the Second 5-year Plan and to explain the broad outlines and financial sources of the Third 5-year Plan.
- 13. The paper fails to mention the necessity of economic integration between the two parts of the country, which is essential for laying the foundation of Yemeni unity.
- 14. It does not commend the contributions of Arab countries and Arab development funds to hospitals, schools, roads, electricity, and other projects

as much as it praises the socialist countries' role, which is nothing compared to what has already been accomplished in the aforementioned projects, according to data presented in this section.

- 15. Notwithstanding the state's tendency toward domination of economic activity, there is a possibility of assigning a limited role to individual enterprise in agricultural, fish, and commercial businesses in the production, marketing, and import fields due to the failure of fish production and agricultural experience and to the inability of the commercial organization to provide for the basic needs of the people.
- 16. The paper fails to give attention to trade and cooperation with North Yemen and other Arab countries. Rather, it underscores the necessity to promote and upgrade commercial ties with the socialist bloc. This is a willful disregard of the Arab economic unity charter and the establishment of an Arab common market.

# IV. Social Relations

1. The paper insists on a class classification of social relations: the working class at the top of the social pyramid, the cooperative farmers, the independent farmers, the middle-class farmers, the non-existent rich farmers, the petite bourgeoisie, the parasitical bourgeoisie which is used for limited construction projects, the bourgeoisie, the cooperative fishermen, the independent fishermen, the educated revolutionaries, the youth, the educated and working women, and the emigrants.

We believe that this oversteps our social reality in view of the absence of such classes and the clear fabrication of a working class over which the party has installed itself as leader and ideological representative, and it is an open invitation to settle conflicts in a bloody internecine fashion by means of repressive government agencies, a clear position in the tendency to attract the other social groups, and to build a new society devoid of the other social classes and to impose the working-class dictatorship. This formula is rejected by our people and Yemeni society.

- 2. The paper upholds the prerequisite that party members and state institutions, including the army and security forces, belong to the lower social groups in accordance with their social classification.
- 3. The paper fails to state the causes of displacement of hundreds of thousands of citizens whom they consider as emigrants and of the flight of thousands of people each day from the regime's hell and repressive and terrorist practices. The paper also neglects to mention the reasons for their refusal to return and for losing confidence in the regime due to the absence of their national symbols from social and political life.
- 4. The paper does not mention the wealth of the ruling class and all the pomp and circumstance in its daily life and the prerequisites of the lowest cadres: an official car for work, a family car, and a hunting car for holidays. Officials in rural governorates have turned to direct importation

- of their governorate's needs, something which did not happen even in the time of the sultans.
- 5. It confirms that the authors of the paper are not Yemenis and have nothing to do with Yemen's social reality. They explored social relations from a Marxist-Leninist perspective.
- V. Party's Social Understanding of Power
- 1. The paper emphasizes in this section the need for party and government hegemony. This is a clear determination by the party to persist in its defiance of constitutional and national legitimacy which it lacks.
- 2. The paper excludes democratic political forces outside the class classification and party affiliation from any national conciliation or participation in government. This is a clear defiance of the people's will and a demand for a democratic national regime in which all political forces can exercise their natural right to take part in steering society toward Islamic, pan-Arab, unionist, and national horizons.
- 3. The paper makes a lower-class classification a prerequisite for becoming a government official.
- 4. The paper views the state as one for the toiling classes such as laborers, farmers, the poor, and the educated revolutionaries while depriving the other groups of such participation.
- 5. The paper shows a total disregard for the electoral system, be it in relation to the Supreme People's Council or the local council, known as the fixed-slate system with candidates nominated by the party alone. No citizen has the right to run for elections outside the fixed slate.
- 6. The paper makes a clear confirmation of the party's motto: no citizenship for any person outside the framework of one of the labor and farmer organizations and the popular defense committees which terrorize residents everywhere, in addition to the other repressive agencies.
- 7. The paper fails to mention the negative elements in the army and the security forces. This appears to be necessary at the present time in order to neutralize them so that future liquidations within them will be based on class departures specified in the paper.

## VI. Yemeni Relations

1. The paper pays no attention and presents no strategic concept of Yemeni unity. The regime does not consider unity as a strategic objective of the Yemeni people and as one of the three main goals of the Yemeni national movement represented in the overthrow of the imamate regime in North Yemen, the evacuation of colonialism from South Yemen, and the restoration of Yemeni unity. The paper is devoid of any Yemeni unionist orientation, thus obliterating Yemeni unionist sentiments and deepening separatism in South Yemen.

- 2. The paper fails to mention the 1973 unity agreements in Cairo between the prime ministers of the two Yemeni regions, the November 1979 press communique issued by the two prime ministers and the 1972 Tripoli communique, and the 1979 Kuwait communique between the two presidents, all of which emphasized the need for an immediate unity between the two regions and laid the foundation for making the Yemeni nation a single customs unit, in addition to other development projects, a unified national currency, open borders for the free movement of citizens, one Yemeni national capital, and other national products. If this had been realized, our people would have made great headway in achieving political unity and would have avoided all the bloodshed which hindered growth in the country.
- 3. The proviso that political unity between the two regions be restored on a class basis and along a socialist path is simply jargon for the basic prerequisite they used to put forth in their literature, namely the necessity for a unified political apparatus. This means kindling an internecine conflict among the social groups in North Yemen similar to what happened in South Yemen. It affirms that there can be no political unity without the overthrow of the national regime in San'a' in favor of Marxist forces and the toiling masses, as they say. For this purpose, it brought radical and subversive elements in North Yemen into the politburo and the central committee of the YSP.
- 4. The paper views the relationship between the two regions as merely one of cooperation, coordination, and coexistence, not a unionist national strategic relationship.
- 5. The paper does not allude to the causes of tension between the two regions and to the fact that the separatist regime in the south played the major role in this respect by insisting on supporting the radical and subversive forces which impede the democratic and developmental process in North Yemen.
- 6. The paper does not allude to the national role of the unionist democratic national regime of North Yemen, considering it as one which has fallen into the hands of neocolonialism.
- 7. The paper affirms that the regime in South Yemen is working for the establishment of a separatist state in total disregard of popular convictions rejecting such a move.
- 8. Viewing all the steps taken by the separatist regime in South Yemen concerning participation in unity committees and emptying them of their unionist content are merely tactical steps aimed at gaining time and benumbing the unionist national forces so that the Marxist forces can seize power in North Yemen. They are betting on the future with endurance.

# VII. Foreign Policy

1. The paper views relations with the Arab nation as if they were relations with any other foreign nation. It does not mention any kind of effective unionist cooperation among the Arab regimes, particularly in what pertains to

economic unity documents, a common Arab market, and a unified educational curriculum. Furthermore, it does not specify any concept of commitment and participation in such agreements as much as it concentrates on cooperation with and support for the political forces which oppose all Arab regimes.

- 2. The paper distinguishes between the concept of peaceful coexistence among Arab regimes and the concept of ideological coexistence. It affirms that there will be no conciliation and no peaceful coexistence in the ideological field but cooperation with and reinforcement and support for the political forces opposed to these regimes, considering this as a national and international duty. This sheds light on future horizons and on what the Marxist regime in South Yemen will undertake against neighboring Arab regimes and on the political steps it is taking to prepare itself for the role of the Arabian Peninsula's Cuba.
- 3. The paper blames the oil-producing Arab regimes for fragmenting and frustrating the Arab liberation movement and for preventing it from realizing its national and pan-Arab goals. This is a national and pan-Arab incitement against oil-producing Arab countries.
- 4. The paper does not mention in this section the role of the existing Arab liberation regimes and other Arab regimes in combatting Zionism and the two forms of imperialism in the Arab arena. It views them as being in the grip of neocolonialism and considers the Marxist regime in South Yemen as the only liberationist Arab regime resisting Zionism, imperialism, and Arab reaction, as it puts it, and the one which other peoples must follow.
- 5. The paper emphasizes the importance of close ties and cohesion among all the Marxist forces in the Arab nation and with the YSP in South Yemen. This underscores the fact that the regime is headed in the direction of promoting its relations with these forces into one organizational relationship and one political command with its headquarters in Aden.
- 6. The paper calls for strengthening relations with international communist parties and existing communist regimes led by the Soviet Union. This is an infringement on Arab and Islamic relations.
- 7. The call for friendship with the Soviet Union as the criterion for true patriotism is a clear call for total alignment with one of the superpowers. This is a distortion of Islamic Arab national sentiment and a blatant disregard for the national and pan-Arab feelings of the Arab being which does great harm to Yemeni, pan-Arab, and Islamic security.
- 8. The paper's declaration of South Yemen's alignment with one of the superpowers with clear intellectual convictions violates the principle of non-alignment that our Yemeni people observe in their foreign policy and drags the area into the ring of international conflict which entails grave hardships for Arab and Islamic security.
- 9. Based on the paper's contents and on the role the South Yemen regime has drawn up for itself in the neighboring area, the regime portrays itself

as a strong country with security interests in the surrounding area. This is a role the regime has played and will play in behalf of the superpower, the Soviet Union, to achieve its strategic goals in the area because it has neither the material nor the human capability to play a role such as this.

12502/12947 CSO: 4404/112

AFGHANISTAN

TROOPS DEFECT TO MUJAHIDIN

Tehran KAYHAN INTERNATIONAL in English 3 Nov 85 p 6

[Text]

NEW DELHI (Dispatches) — About 100 Soviet-backed Afghan troops killed four officers and defected to Mujahideen in Kandahar, Afghanistan's second largest city, where Muslim guerrilla have tightened their control, reliable sources said Tuesday.

In other developments, Afghan Mujahideen killed or wounded more than 60 Soviet troops in the strategic Panjsher Valley as Soviets attempted to strengthen their forces before the onset of winter.

On Oct. 22, about 100 Afghan government troops killed four officers and defected to Afghan Mujahideen in Kandahar, about 290 miles (460 km) southwest of the capital of Kabul, the report said. No further details were given.

The resistance's grip on Kandahar is tightening, said one report. Afghan government troops have abandoned their posts in the city's main Herat Bazaar area which is now controlled by guerrillas.

"Fighting in the city continues and the Mujahideen (Muslim guerrilla) are in stronger position now than one year ago," one report said. The other report said food supplies to the city were adequate, "but electricity is a thing of the past."

The overland trip (from Kandahar) to Kabul remains hazardous, and Afghan government troops man between four and six checkpoints along the road, while guerrillas control 10 checkpoints the report said.

In the Panjsher Valley, about 40 miles (65 km) north of Kabul, guerrillas killed or wounded between 60 and 70 Soviet troops in battles near the towns of Anawa and Rokha in the lower part of the valley about two weeks ago, the report said.

The Panjsher Valley has been the scene of the nearly 6year-old war's fiercest battles between Afghan Mujahideen and Soviet troops as it provides an ideal staging area for guerrilla attacks on the Salang Road, Kabul's only land link with the Soviet Union.

As in the past, the fighting was preceded by massive bombings," by Soviet "high performance jets," said one report. It quoted "an Afghan source" as saying guerrillas shot down 15 Soviet aircraft in an unspecified two-day period.

The report said Soviet Afghan government forces used buildozers to flatten trees, crops and houses along a 10-saile (16 km) stretch of the Salang highway near the mouth of the Panjsher to deny cover to the guerrillas.

/13046 CSO: 4600/152

AFGHANISTAN

## MUJAHIDIN ATTACK GOVERNMENT CAMP

Tehran KAYHAN INTERNATIONAL in English 10 Nov 85 p 1

[Text]

LONDON, Nov. 9
(IRNA) — In a recent missile attack on an army camp in Khairkhana area, north of Kabul, Afghan Muslim Mujahideen inflicted heavy damages on the camp, Afghan news agency reported.

The report added that the Mujahideen in Shakardara area, led by Commander Nasir, hit the army camp with BM-12 missiles.

According to another report, the Mujahideen set fire on the offices of Parcham Party in Shah Joi subdivisional headquarters in Zabul Province, late October.

The Mujahideen attacked the offices by hand grenades and rockets, killing three Karmal troops and seven Parcham Party members. Some eleven Karmal troops joined the Mujahideen with their arms and ammunition.

In another development Afghan Mujahideen shot down two sophisticated MI-24 Soviet helicopter gunships while defending a strategic base against heavy bombing in eastern Afghanistan, sources said today.

They said jets and helicopters began bombing the base in the Torghar mountains, about 30 km (50 miles) west of Nangarhar Province's capital of Jalalabad, yesterday and attacks continued today.

A message sent by a local Mujahideen guerrilla commander to Pakistan gave no details of casualties, they said, and it was not yet known whether the crews of the gunships were killed or captured.

The bombing was confirmed by Yunis Khalis, leader of the Pakistan-based Hezb-e-Islami party.

/13046 CSO: 4600/152

AFGHANISTAN

'NEW' SYSTEM OF EDUCATION SAID PROMOTING SKILLS

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 16 Oct 85 p 4

[Text] The new system of training and education, which is the harbinger of the fresh phase of enhancing training and education in the country, necessitates eliminating the educational and training requirements of the national and democratic stage of the Sawr revolution. At the same time it is the embodiment of a rich and qualitative intimation for the purpose of the growth of scientific, vocational and specialized knowledge of the future generations of the country.

In line with resolution number 2136 of the Council of Ministers of the DRA in 1360 [21 March 1981 - 20 March 1982] within the framework of the Ministry of Education and Training of the DRA, the Central Institute for the Completion of Teachers' Training was created and was charged with the responsibility to realize the new teaching methodology in the schools throughout the country.

As regards the work and activities of the abovementioned institute a source stated: The Central Institute for the Completion of Teachers' Training is an academic, instructive and methodic institution which was established within the framework of the Ministry of Education and Training according to the resolution of the Council of Ministers of the DRA in order to enhance the instructional capability of the pedagogical cadres and help the growth and development of the professional level of the teaching cadres.

The Central Institute for the Completion of Teachers' Training is composed of administrative and teaching sections and has various offices in charge of course arrangement for kindergarten, primary and secondary schools which are all active within the framework of the Directorate of Branch and Department Institute. In order to increase their own ideological and scientific specialty, the scientific members of the institute on a regular basis carry out research and study of new books and prepare methodic pamphlets, charts, plans, reports and other scientific guides for more effective teaching. Furthermore, for the purpose of improving the quality of teaching, the scientific members of this institute visit classes in progress so as to discover inadequacies and deficiencies and make appropriate decisions to obviate them.

In answer to the question of how the new teaching method is to be introduced into the schools, the director of the Central Institute for the Completion of Teachers' Training stated: With due consideration of the pedagogic law, various

subjects of study will fall under different methodologies. The Central Institute for the Completion of Teachers' Training has 13 departments and these departments have all been created according to the subject and teaching requirements of the schools. As such, each department is assigned to carry out specific research and accordingly prepare its relevant methodic pamphlets and other guiding publications. To this end, during the current year our scientific members have prepared about 30 methodic pamphlets on various subjects of study and made them available to the teachers throughout the country. Moreover, from the date of its inception until now this institute has trained and familiarized nearly 40,000 teachers to the new teaching method—of course, the aforementioned figure contains various subjects of study and relevant seminars. Thus, during the term of a particular seminar a teacher can cover about five different specialized seminars such as health, pedagology, sociology, psychology, traffic and other specific subjects.

The methodic seminars of the institute are not confined to the capital alone, but are also offered in other provinces too. There are two methods of approach for generalizing the seminars in other areas of the country. The first method is carried out by inviting the educational supervisors and representatives of other provinces to the capital to participate in the methodic seminars, the second approach is carried out by our scientific members who travel to other provinces of the country and introduce the methods to interested parties. During the current year, the projected plan called for 13 provinces to hold the seminars and up to the present date we've been able to offer the methodic seminars in nine provinces together with the distribution of about 6,000 books, charts, pamphlets, brochures throughout these provinces of the country.

From the standpoint of format, we intend to introduce a change in the prevailing teaching method in 1365 [21 March 1986 - 20 March 1987]. For instance, in the month of December of each year, according to the 'transfer of status' of those teachers who have had 11 years of teaching experience, they will go through evaluation and analysis so we can determine the level of teaching competency of the teachers and thereby decide to separate those teachers who are capable of teaching high school grades in one category and put others who have shown higher competency in a superior category. Furthermore, we intend to devise a new teaching method for our high school teachers to enable them to advance to higher levels of teaching later on. Moreover, in order to enhance the quality of teaching and provide pertinent assistance to the teachers in addition to the above-stated plans, the Central Institute for the Completion of Teachers' Training together with holding or offering seminars also will set up specialized workshops, scientific and political conferences and lectures to advance the teaching methodology. For the purpose of by-passing certain problems, before setting up the seminars, on the level of book authors, two weeks before the scheduled date pertinent scientific workshops will be held to make relevant decisions for future seminars. Since the Central Institute for the Completion of Teachers' Training is a young institute, it is necessary for the director to have harmonious relationship with other pertinent, responsible officials of the Ministry of Education so as to be able to alleviate the deficiencies, create an atomosphere for constructive and healthy criticism, and to be able to meet the present needs and demands from the viewpoint of a balanced teaching and training environment.

The major point which constitute one of our deficiencies that I would like to point out is the issue of the preferential bill regarding our scientific members. The scientific members of the institute are earning the salary and benefits of the regular teachers of the country. However, despite frequent proposals and suggestions to the relevant authorities of the Ministry of Education regarding the above-stated issue, no preferential bill for these cadres has been passed yet. Despite the fact that the fourth article of the resolution of the Political Bureau of the PDPA Central Committee and the Council of Ministers of the DRA states: "In order to improve the work and living conditions of the teachers and for the purpose of increasing or broadening their interests in continuing their assigned duties in the schools throughout the country, the ministries of education and finance and the Department of Labor and Social Security of the DRA are obligated to prepare a plan to encourage the teaching personnel both materially and spiritually and present the same with their specific suggestions to the Council of Ministers of the DRA in the first quarter of 1364 [21 March -21 June 1985].

12719

cso: 4665/19

AFGHANISTAN

#### BRIEFS

MUJAHIDIN GOVERNMENT TROOPS CLASH—Reports from Afghanistan speak of a fierce clash between the mujahidin and the Soviet-Karmal troops in (Bala Baluch) area of Farah Province on the 16th of this month. This resulted in destruction of three tanks and military truck killing all the persons on board. In a similar combat in Minruz Province, at least 13 Soviet-Karmal troops were killed. Another report says the military aircraft carried out heavy bombing in areas of (Lugandi) and (Sukhpat) in Lowgar Province on the 13th of this month, in which several houses were reduced into rubbles. The Soviet-Karmal troops are reported to have killed 18 civilians during the house search campaign in Qandahar city and its surroundings on the 15th of this month. However, on account of attack by the mujahidin, the troops had to leave the city, moving back toward cantonment carrying several dead bodies. /Text/ /Karachi Domestic Service in English 10050 GMT 20 Dec 85 BK/ 12228

USSR AGRICULTURAL AGREEMENT--Kabul, 19 Dec, BAKHTAR: An agreement of technical cooperation was concluded between the Ministry of Agriculture and Land Reforms of the DRA and Selkhozpromexport of the USSR here today. Under this agreement, two new agricultural mechanized stations will be established for assisting the peasants in mechanizing the agricultural products and the state farms in Jalabad and Khawaja Ghor district of Takhar province, north of the country. Likewise, the Soviet Union will give on a gratis aid to the peasants 3,000 tons of insecticides and agricultural and chemical materials for Jalalabad irrigation complex. /Text/ /Kabul BAKHTAR in English 0415 GMT 20 Dec 85 LD/ 12228

CSO: 4600/148

**IRAN** 

ANNUAL BUDGET BILL CRITICIZED AT ISLAMIC MAJLIS

London KEYHAN in Persian 5 Dec 85 pp 1-2

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Tehran - KEYHAN News Service: Mir Hoseyn Musavi, prime minister of the Islamic Republic, presented next year's annual budget bill of 725 billion tomans to the Islamic Consultative Assembly [Majlis].

According to this bill, 160 billion tomans from oil revenues, 120 billion tomans from tax revenues, 40 billion tomans of loan from the Central Bank and 60 billion tomans from other revenue-generating sources have been projected.

In the budget bill, a 50 billion tomans deficit has been announced. In the said bill more attention has been paid to war affairs and its total expenditure has increased 12.50 percent over the last year. In other words, the total amount of the war budget adds up to 391.6 billion tomans, namely an equivalent sum of half the total budget.

In the budget bill, the continuation of the developmental affairs has been predicted with the cooperation and investment of the banks. That is to say, in reality the banks are charged with the payment and provision of the developmental budget—which can in itself be included as part of the budget deficit. In the said bill, the projected oil revenue is about 15 percent less than last year. Moreover, during last year the projected income from oil did not materialize.

In the aforementioned bill, all the government organizations have been duly obligated to put all their assets or possibilities at the disposal of the department in charge of the war affairs.

Simultaneously, with the approval of the budget bill for the year 1365 [21 March 1986 - 20 March 1987] in the cabinet of the Islamic Republic government and its submittal to the Islamic Consultative Assembly, Gholam-Hoseyn Nadi, Najafabad representative in the Majlis announced that during the current year the predicted oil revenue has fallen short about 667 billion rials from the projected figure. While at the same time the volume of cash or ready money has been increased to such a level that it resembles the nurturing of a dragon which can be awakened at any possible moment and in its wake can burn the oppressed people with its fire.

Gholam-Hoseyn Nadi, who comes from the same city as Montazeri, while speaking in confirmation of Mir Hoseyn Musavi's government revealed some of the problems of the Islamic Republic and added: The oil revenue during last year [1363: 21 March 1984 - 20 March 1985] amounted to 1.8 trillion rials, however in practice there was a deficit of 430 billion rials.

Similarly, during 1364 [21 March 1985 - 20 March 1986] the approved amount of oil revenue was 1.867 trillion rials while it is predicted that this amount will reach only 1.200 trillion rials. Considering the fact that 667 billion rials of oil revenue decrease which has established the total income for the annual budget of 1365 as 3.107 trillion rials, and taking into account all other expenditures as 3.804 trillion rials together with 450 billion rials deficit from the current domestic system, are we going to think that the level of revenues will be real or not?

The oil revenue which has been projected at 1.6 trillion rials seems to have had an increase of 300 billion rials inappropriately. Furthermore, the addition of 100 billion rials specified for war situations, without enactment of its subservient mechanism seems to only help in raising the figure without having any practical effect at all. This kind of expenditure allocation and budgetary orientation means that we have to have a current budget but no means of production. As a result, the National Gross Product will take a dive, which eventually will lead to an increae in unemployment, corruption and prostitution.

If we continue to have no growth in our production and pursue a systaltic or contractile path in our production and development sectors—the same way as it has been carried out during the past two years—then it all amounts to a lack of production and movement, which will be followed by an increase in the rate of inflation and costs, and instead of clamping down on inflation we will have the opposite result.

Nadi went on to add: The fact that we see an increase in the volume of the private sector's ready cash, and still continue to do so, all lend support to the story that the productivity of the production units in comparison to the previous year has taken a dive.

Why should we increase the volume of cash or ready money to such an enormous level that it resembles the nurturing of a dragon in our sleeves and causes us constant horror and anxiety? It is obvious that when we do not base our productivity on the added value and domestic production, but on the sale of oil and borrowing of loans from the domestic system, our level of ready cash will increase willy nilly. And with every single day, this dragon will become ever more dangerous and its fire will cause more havoc. We ought to know that the sale of oil in the domestic market does not create an added value while in its lieu we ought to pay in rials and such rial revenues are spent on the current budget which automatically enters the free trade sector without having been changed into added value. Likewise, in the matter of borrowing of loans without having any base for productivity, money is being printed and injected into

the economy. These are the fundamental and important factors which have always caused, are causing and will cause the increase in ready money volume.

Further, Nadi added: The result of the continuation of these policies and moves is that the volume of the ready money for the year 1357 [21 March 1978 - 20 March 1979] which was 2.613 trillion rials to reach eight trillion rials for 1364, which means that this amount of cash and scrip is available in the private sector which is not within our reach, and any move by such a system can be dangerous. If we are to make ourselves more clear we can cite an example by saying that in 1362 [21 March 1983 - 20 March 1984] the added value of the agricultural sector was 429 billion rials, that of the oil sector was 526 billion rials and those of the water, power and gas amounted to 59 billion rials; however the non-production services had an equivalent sum of 7.375 trillion rials in added value alone. If we subtract very generous living expenses from this amount, we will have a net profit of 2.3 trillion rials, and if we deduct only five percent of this profit, we will wind up with an amount of 450 billion rials, whereas the amount which is now being collected from the same sector is something around 25 billion rials.

The budget ceiling increases every year while the number of development projects decrease and nothing is done about it. We have all become mere spectators and bystanders and hope that a mysterious hand out from nowhere will come and do something about it. The continuation of the present situation is not possible and not advisable either. One of the messages points to the fact that the war should not constitute the fundamental issue and that it should continue the same way as it did in the last three years and you and I sit here and by wishful thinking try to solve the country's problems while with each and every passing day our difficulties become ever more complicated.

The continuation of this state of affairs will only harm the oppressed strata, particularly the office workers and the salaried employees.

Since the advent of the revolution, as a result of the budget allocations the current budget has had to bear peculiar pressures; in practice our development budget has come to a standstill and this particular circumstance has brought about a situation whereby the ratio of the current non-development budget to that of the development budget is 75 to 25. What this ratio indicates is that the rate of National Gross Product growth is less than the amount of the current budget, and on the other hand since we have to have the minimum salary payscale, the resultant factor will be an increase in the cost of goods and a decrease in the purchasing power of the people. If our current budget were to move harmoniously with the rate of inflation and cost increase and maintain the purchasing power of the salaried employees proportionate to the level of 1357 [21 March 1978 - 20 March 1979], considering a "fixed price." we ought to have the ceiling of our current budget at seven trillion rials. The reason that we have not been able to increase this ceiling has not been something we wished, but rather has been the result of our gross product and our means of revenues

which have been limited; however we could have had no limitations at all and tried not to rely only on a commodity like oil over which we have no control of its world consumption or its price.

The disproportionate equilibrium after the advent of the Islamic revolution exceeds the disproportionate equilibrium of the years 1347 to 1351 [1968 to 1973].

12719

CSO: 4640/96

IRAN

## BRIEFS

ATTACK ON DIPLOMATS—Colombo, 25 Dec IRNA—Sri Lankan press gave front page prominence to Monday's armed attack by two Iraqi terrorists against two Iranian diplomats parked in a car opposite the Iraqi Embassy here. Despite an earlier confirmation of the attack by the Iraqi Embassy men, the Baghdad ambassador here has totally denied the shooting. The denial comes despite a confirmation by the Sri Lankan police that the car of the Iranian diplomats had been attacked by the Iraqis. The diplomats escaped unhurt but their car was reportedly heavily damaged. A Sri Lankan newspaper, quoting a spokesman for the Iranian Embassy here, wrote that the "predesigned attack aimed at killing the two Iranian diplomats." He was further quoted as saying that the Iranian diplomats usually pass by the Iraqi Embassy on their way back home. The Islamic Republic of Iran has lodged a complaint with the Sri Lankan Foreign Ministry over the incident, which according to a spokesman for the ministry, has been passed to the local police for investigations. /Text/ /Tehran IRNA in English 2005 GMT 25 Dec 85 LD/ 12228

WATER FOR BANDAR-E ABBAS--Minab, 20 Dec IRNA--A nonchemical water purification plant started operation in Minab, Hormozgan Province, Friday. The refinery is capable of purifying 3,720 cubic meters of water per hour, 82,000 cubic meters in 24 hours. It is part of a large water project for supplying purified water to Bandar-e Abbas port of the Persian Gulf. Energy Minister Dr Banki inspected the plant Friday and also supervised its inauguration. He was accompanied here by Majlis deputy from Minab and directors from water departments from the various parts of the country. Water supply from the plant is said to be sufficient for irrigation projects on some 14,000 hectares of Dasht-e Minab lands. /Text/ /Tehran IRNA in English 1817 GMT 20 Dec 85 LD//12228

CSO: 4600/150

#### OPTIMISM EXPRESSED OVER RELATIONS WITH INDIA

GF241336 Karachi MASHRIQ in Urdu 20 Dec 85 p 3

[Editorial: "Beginning of a New Era in the Subcontinent"]

[Text] President Gen Ziaul Haq has said that Pakistan and India have agreed to take some special measures to normalise their relations. These measures include the fact that they will not attack each other's nuclear installations. They will try to promote their cooperation in the economic field, and the finance ministers of the two countries will hold a meeting in the first week of next month. They will exchange views on the agreement regarding economic cooperation. Political matters will be taken up by the foreign secretaries of the two countries in Islamabad by the middle of the next month. In this meeting they will try to bring closer together the common points in the draft proposals of the two countries -- the non-aggression pact from Pakistan and the friendship and peace treaty from India. In addition, the subcommittee of the joint ministerial council will hold meetings on the exchange of cultural troupes, and will try to find ways and means of contacts between the regimes and the general public. The joint ministerial commission meetings will be held by the end of February or the beginning of March. In connection with the Siachen Glacier dispute, it has been decided that the defense secretaries of both countries will meet to find ways to settle this problem.

Agreement on the above matters is undoubtedly a hopeful start of a step-by-step improvement of relations between the two countries. In order to reach an understanding on various matters meetings will be held at different levels which may help to wipe out past mistrusts and promote cooperation in a number of other important matters. They have very wisely decided for the present not to touch matters on which both countries hold different views. They will deal only with those matters in which there is an atmosphere of understanding. They will also avoid issuing statements which may prevent good relations between the two countries.

On the subject of arms, President Gen Ziaul Haq has said that every country has the right to assess its own arms needs and acquire arms to meet these needs. Pakistan will review its arms needs as soon as relations with India are further improved. He also said that it would be better to use the huge sums spent on buying arms on the welfare of their people. Both leaders agreed that if a misunderstanding occurs on any point then both countries

should immediately contact each other and try to resolve any misunderstanding. Both countries have agreed to look into the matter of releasing prisoners from each other's prisons.

President Gen Ziaul Haq has expressed his happiness that the prime minister of India, Mr Rajiv Gandhi, has accepted his invitation to visit Pakistan. This visit will take place in the first half of next year. This visit, he added, will make more bright the prospects of the future Pakistan-India relations. It would be in the interest of the people of both countries if they live peacefully like good neighbors. He said he has assured Prime Minister Rajiv Gandhi that Pakistan was against all terrorism and that there was no question of supporting the Sikhs or of giving them refuge.

Prime Minister Rajiv Gandhi, while referring to his meetings with President Gen Ziaul Haq as extremely useful and constructive, has said that now they should embark upon further improving relations and their efforts to resolve their difficulties and the matters which led to tension. All matters under dispute now will be dealt with at the level of ministers and secretaries which fall under their jurisdiction. Prime Minister Rajiv Gandhi also hoped that relations will improve between the two countries in the next 2 or 3 months and matters which have been causing tension in the past will no longer be allowed to cause such feelings. Undoubtedly, the hopes and good intentions expressed by the two leaders in connection with their better relations will be a trail blazer for a bright future for both the countries.

We pray that the stage of peace and friendship toward which steps have already been taken may prove to be a blessing and well-being for both countries.

/12232

CSO: 4656/35

NWFP GOVERNOR SAYS TRIBAL TRADITIONS TO BE PRESERVED

GF181836 Islamabad THE MUSLIM in English 15 Dec 85 p 1

[Report by Rahimullah Yasafzai]

[Excerpts] Peshawar, 14 December--The NWFP Governor, Lt Gen Fazle Haq, has declared that the government has no intention of merging the tribal areas or changing their status or breaking the tribal traditions in any way.

Addressing a tribal Jirga [council] of South Waziristan at Wana today, General Haq pledged that the government would honour all the agreements concluded with the tribesmen. But he emphasised the regime's determination not to allow a handful of tribemen to bring a bad name to the country and the tribal community.

Explaining the background of the recent Khyber Agency operation, the governor contended that the trouble began when the government initiated stringent measures to wipe out the menace of narcotics by restricting poppy cultivation. He claimed that 43 heroin-manufacturing and processing laboratories were smashed in Khyber Agency. He said those opposing the government in the name of tribal freedom and independence were in fact anti-social elements who had been hit hard by the governments campaign against narcotics.

The governor argued that the Khyber operation was also necessitated by the surge of illegal activities in the agency. Giving details, he said during the period January-November 1985, as many as 30 persons were kidnapped and 36 vehicles lifted from the adjoined areas and later recovered from Khyber Agency. He said during the same period, 30 narcotics smugglers were arrested and 2,500 grams of heroin confiscated.

The governor also referred to the flow of arms, ammunition and money from Afghanistan into the Khyber Agency following the visit of Wali Khan Kukikhel's son to Kabul to attend the so-called Loi Jirga organised by the Babrak Karmal regime. He contended that the government was constrained to launch an operation against the anti-state and anti-social elements in view of the ominous developments in the area. He said only two tribesmen, including an outlaw, were killed in the limited operation, while two scouts sustained injuries. He said the government action which was taken as a last resort, had the backing of the whole nation, particularly the Pakhtuns. He said an overwhelming majority of Khyberites were patriots whose loyalty to Islam and Pakistan was beyond any doubt.

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# PLEA MADE TO ACCEPT POLICY AID OFFER

GF190618 Lahore JANG in Urdu 12 Dec 85 p 3

[Text] The federal minister for water and power, Mir Zafarullah Khan Jamali, on his return from a visit to Poland, said that Poland has agreed to cooperate with Pakistan in coal mining and construction of thermal power stations. We think that when the country is in the grip of an acute power crisis, such offers of cooperation should be given serious consideration, and such opportunities should not be sacrificed at the altar of world political alignments and guarantees. Pakistan is a nonaligned country. Its foreign policy, at the most, supports international cooperation and collaboration. Cooperation with a country like Poland also has an advantage, because there countries do not impose one-sided terms on cooperation. They work on equal terms and on the basis of mutual benefit. The PRC also has, prior to this offer, given us full assurance that it will cooperate with us in overcoming our energy crisis. We should take full advantage of the experiences gained by these countries and their offers of cooperation. The growing energy crisis is a problem which, if not dealt with immediately, is bound to affect our economic and welfare projects. In the energy sector one can and should use solar and nuclear energy, but the problems which we are facing now could be resolved for the present time through the use of water and heat. One reason for this is that in this field we too have had considerable experience. Moreover, these resources are practical, useful, and are the least objectionable. One can easily obtain international cooperation in using these elements.

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## BBC FILM CREW MEMBERS REPORTED BEATEN IN LAHORE

GF241342 Lahore NAWA-E WAQT in Urdu 17 Dec 85 p 8

[Text] The British ambassador has lodged a strong protest with the police inspector at Lahore against the beating of two members of the BBC film unit in a cinema house in Lahore. Four members of a BBC film unit went to interview Mr Iqbal Beg, the proprietor of the Plaza Cinema in Lahore. According to the film unit members, Mr Iqbal Beg was involved in drug trafficking and the authorities were looking for him. They said that when they questioned Mr Beg about his involvement in drug trafficking, he got angry and told them to get lost. Mr Beg's colleagues wrenched away their camera and severely beat two of the members -- David (Wieckhem) and Peter Tailor. All this happened exactly opposite the Civil Lines Police Station in Lahore and some policemen were also present there. (Wieckhem) and Tailor told the correspondents that they had asked the police to intervene but that they turned a deaf ear to them. The camera was later returned but the film had been removed. Later the BBC film team was again asked to go to the cinema. There Mr Beg told them that all this had happened through some misunderstanding. He promised to meet them Sunday but he did not turn up and the BBC film team left for Islamabad. The senior superintendent of police said he did not know anything about this and added that there had been no report on the matter to the police, nor had anybody asked for police help.

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#### BRIEFS

TRIBAL CHIEFS VOICE OPPOSITION—A big assembly of tribal religious heads and scholars at Mir Ali in the northern Wazirisatan Agency have adopted a resolution against anti-Islamic and antinational elements. The resolution warns such elements to refrain from activities that oppose the ideology of Pakistan and are against the nation. The assembly decided to take stringent action against those involved in drug trafficking and robbery and kidnapping, and to deal firmly with those indulging in such activities in the future. The assembly also decided that the tribals involved in activities against the interests of the country will be punished in accordance with tribal customs and traditions. Speakers at the assembly [word indistinct], among others, Haji Sher Mohammad Khan, Maulavi Jannat Mir, and Maulavi Noor Wali. Earlier, some tribals who have returned from Afghanistan and belong to the Qumri Khel tribe deposited their arms with the tribal religious heads and pledged loyalty to the country. [Text] [Karachi Domestic Service in Urdu 1500 GMT 19 Dec 85 BK] /12232

USSR LOAN CONSIDERED—Lahore, 19 December—The government is weighing the pros and cons of a multi-million dollar loan offer by the Soviet Union for investment in the industrial sector. According to official sources here, the offer was made about 2 years ago for undertaking extension work in the public sector. Experts have been asked to submit reports for utilising the funds, particularly for certain additional facilities in steel manufacturing. There are indications that the credit offered might be around 500 million dollars. The matter was also discussed in the last meeting of the National Engineering Manufacturers and Exporters Council. It is expected that the modalities for utilising the Soviet credit may be worked out next year. [Text] [Karachi DAWN in English 20 Dec 85 p 11 GF] /12232

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